

General Terms and Conditions of Purchase for ULTIMATE Europe Transportation Equipment GmbH

Agreement of General Terms and Conditions of Purchase

The following Terms and Conditions of Purchase shall apply to any orders by the Buyer. Confirmation or execution of orders shall constitute acceptance of these Terms and Conditions of Purchase by the Seller. Any divergent or supplementary terms and conditions shall not be binding on the Buyer, even if he does not expressly object to them. This shall also apply in case the Seller indicates his intention to perform orders exclusively under his own terms and conditions. Any different terms and conditions or any divergence from these Terms and Conditions of Purchase shall therefore be invalid unless agreed upon in writing by the Buyer. Acceptance of the goods or services or the Buyer's payment without reservation shall not constitute the acceptance of deviating terms and conditions. Furthermore, the reference in the Buyer's order to the Seller's offer or documents accompanying an offer shall not be construed as the Buyer accepting any deviating terms and conditions of the Seller. The express terms of the Buyer's order take precedence over the corresponding provisions in these Terms and Conditions of Purchase.

Order and Order Confirmation

Any order must be placed in writing. Verbal agreements shall not be binding, unless confirmed in writing. Unless confirmation of an order is waived, the Seller is required to confirm orders by the Buyer in writing. In the event that the Buyer has not received such confirmation within 5 days after placing an order, the Seller shall be deemed to have accepted, unconditionally, the Buyer's terms of the order, including, but not limited to, prices, delivery times and these Terms and Conditions of Purchase. If the Seller wishes to propose alternative terms in his order confirmation, he shall explicitly and in detail describe the proposed variation from the order terms. Any variation from the order shall not be binding for the Buyer unless the Buyer agrees to such variation explicitly and in writing. The acceptance of goods or services or the Buyer's payment without reservation shall not be construed as an acceptance of a variation. General terms and conditions of the Seller shall not apply, even if the Buyer has not explicitly objected to them.

Intellectual Property Rights to Plans and Documents / Non-disclosure

Any plans, drafts and any other documents such as brochures, catalogues, samples, presentations etc. shall remain the intellectual property of the Buyer. Any use, in particular any transfer, copying, publication and making available, including partial copying, requires the express permission of the Buyer. The Buyer may reclaim any of the documents mentioned above at any time. In addition, the documents must be returned immediately in case no contract has been concluded. The Seller undertakes not to disclose any information arising from the business relationship to third parties. The Buyer shall have the exclusive intellectual property rights (excluding also the Seller) in respect of all results and work product developed by the Seller in the course of the performance of its contractual obligations, including (but not limited to) the right use and further exploit the results

and/or work product or any goods or services resulting therefrom, at no additional cost for the Buyer. The Seller shall hand over to the Buyer all information and documents in respect of such results or work product, irrespective whether such information is available on paper, in electronic or in any other format.

Delivery and Performance Dates

The agreed delivery and performance dates are binding. The delivery period or the period for providing the services, as the case may be, shall be calculated from the date of the Buyer's order, unless the parties have explicitly agreed otherwise. If the parties have not explicitly determined a delivery period or a delivery date, the Seller shall effect the delivery or the provision of services, as the case may be, promptly. The Seller shall deliver /provide his services on time, which means (i) in case of deliveries the Buyer shall have received the goods, and(ii) in case of deliveries which require further set up or assembly or in case of services to be provided the Buyer shall have formally accepted the goods or services, on the delivery date. If the Seller becomes aware that he is unable to perform or deliver on time, he shall inform the Buyer promptly but no less than 10 days prior to the agreed delivery/performance date. The extension of the delivery period requires the explicit written consent of the Buyer to such an extension. If delivery is not made or services are not provided when due, the Buyer is entitled, without granting a grace period, terminate the contract on the grounds of default. Furthermore, in the event that the Seller does not effect delivery or provide its service when due as originally agreed, the Buyer, irrespective whether he has agreed to an extension of the delivery period or not, shall be entitled to impose a contractual penalty amounting to at least 5 % of the order value per day of late delivery/performance. The Buyer may impose such contractual penalty at any time before the last payment, even if he has accepted the goods or performance unconditionally. None of the foregoing provisions shall limit or otherwise adversely affect the Buyer's right to exercise any additional remedies he may have under applicable statutory law or this contract.

Suspension and Termination for Convenience

The Buyer shall have the right, to require the suspension of the further performance of the contract at any time. If such suspension exceeds a continuous period of six months, the Buyer shall reimburse the Seller for such costs the Seller has actually incurred and that are resulting from the suspension exceeding the six months' period; the Seller shall not be entitled to be compensated for loss of profit. The Seller shall not be entitled to a reimbursement of costs, if the suspension does not exceed six months or, if the suspension exceeds six months, for costs resulting from the first six months of suspension. In the event of force majeure, a strike, or lockout, the Buyer shall be entitled to defer receipt of the goods without being in acceptance default. For the reimbursement of any additional costs of the Seller resulting therefrom, if any, the provisions in the preceding paragraph shall apply analogously. The Buyer shall have the right to terminate this contract as a whole or partially, at any time at its discretion(Termination for Convenience). In the event the Buyer exercises the right to terminate the contract for convenience the Seller shall be entitled to a compensation of all deliveries made / services provided to the Buyer up to the date the termination becomes effective, but not other compensation or reimbursement.

Delivery Terms, Passing of Risk

Unless the Buyer has not determined otherwise in the order, the risk of damage or loss shall pass (i) if the order requires delivery only and no set up or assembly, with the Buyer or the recipient nominated by the Buyer taking over the goods, and (ii) if the order requires delivery and set up or assembly or the providing of services, with the formal acceptance of the goods/services by the buyer. Deliveries shall be made DDP place of delivery (INCOTERMS 2020); the Seller shall bear the costs and the risk of unloading. If the Buyer's order does not specify otherwise the place of delivery shall be the Buyer's production plant in Qingdao, China. The Seller shall not deliver prior to the delivery date, deliver in portions or deliver lower or higher quantities than agreed (each a "Nonconforming Delivery") without prior explicit written consent by the Buyer. The Buyer shall have the right to reject any Nonconforming Deliveries, or at his discretion to send back to the Seller any exceeding quantities at the Seller's cost and risk.

Prices

All prices are fixed and not subject to any increase for the entire contractual period up to the acceptance of the goods/services by the Buyer.

Payment

Payment must be made without deduction within 60 days after the later of the receipt of a properly issued invoice and receipt of the goods. The invoice shall be considered received on the date of the receipt stamp of the Buyer at the premises in Amstetten. If the Seller is obligated to provide material tests, test protocols, quality documents or other documents, no payment shall be due, unless in addition of the goods and the invoice, all such documents have been received by the Buyer. The period of payment shall, however, not commence before the agreed delivery date. Down payments or interim payments shall not constitute an acknowledgement of the conformity of the performance with contractual obligations. Any assignment requires the prior written consent of the Buyer.

Warranty

The Seller warrants that all goods delivered and/or services performed comply with the contractual specifications, all relevant technical standards and specifications of the end customer, are in good working order, have all qualities and characteristics which can be reasonably expected of such goods and/or services and are fit for purpose, in particular (but not limited to) the use in railway and light rail-vehicles, tramways and busses. The Seller particularly warrants (without limiting the generality of the foregoing) the use of new adequate material of prime quality, skillful manufacturing in conformity with all plans, drawings and samples, skillful construction, proper packaging and flawless set up and assembly. Furthermore, the Seller warrants that his goods and/or services do not infringe third party Intellectual Property Rights. Nothing of the foregoing shall, in any way, limit the Buyer's statutory remedies in warranty and/or damages; the Buyer shall have the right, at its own discretion, to require repair or the replacement of nonconforming goods. The Buyer shall have the right to remedy a defect or have a defect remedied by third parties, both at the Seller's risk and costs, in the event of urgency or if the Seller fails to remedy a defect when due. Defective goods will be returned to the Seller from the place of delivery (including, but not limited, the Buyers production plant in

Qingdao, China) at the Seller's risk and the costs therefor shall be borne by the Seller. Corrected goods and replaced parts shall be redelivered to the Buyer's production plant in Qingdao at the Seller's expense. The agreed warranty period for corrected and replaced parts shall recommence from the date of removal of the defects Unless otherwise agreed, the warranty period shall be 36 months from acceptance of the goods by the Buyer or his production plant in Qingdao (China); in the event of hidden defects the warranty period shall be calculated from the date when such defect is detected by the Buyer.

Inspection for Defects – Liability for Defects

The Seller acknowledges the fact that the Buyer shall not perform any incoming goods inspections. The Seller waives any right to bind the Buyer to such inspections and in particular waives any objection to the Buyer's breach of the duty to inspect incoming goods. Paragraph 377 (Austrian) Commercial Code (*Unternehmensgesetzbuch*) and its notice obligation shall not apply.

Packaging

Unless otherwise agreed, the Seller shall be required to pack the goods for sea or airfreight to China. Where the packaging material contains wood, the Seller shall treat the relevant packaging components (in accordance with ISPM No. 15) to enable shipment to China. This requirement shall also apply to shipments which are first sent to the Seller's branch in Austria. Glass and similar materials must be packed and labelled in such a manner as to ensure safe transportation by air or sea to China. The Buyer reserves the right to charge the Seller for any damage and consequential costs resulting from inadequate packaging.

Product Liability

The Seller shall indemnify the Buyer against any claims (in Austria or any other jurisdiction worldwide) arising from defects in the products supplied. This clause shall not be construed to replace or limit any contractual liability of the Seller.

Binding Force of the Contract

Should any provision of the contract be invalid, the remaining provisions shall remain unaffected. This shall not apply if adherence to the contract would impose unreasonable hardship on the Buyer.

Assignment of Rights

Any assignment of rights arising from this order to third parties requires the permission of the Buyer.

Vicarious Agents

Apart from his own deliveries and services the Seller shall also be liable for deliveries and services performed by his subcontractors. The subcontractors of the Seller shall be deemed to act as vicarious agents. The Seller shall indemnify the Buyer against any claims from third parties arising directly or indirectly from deliveries and/or services performed by the Seller.

References

Any reference to the Buyer on the part of the Seller requires the former written permission by the Buyer.

Correspondence

The Buyer's order number must be stated in all correspondence (order confirmation, delivery note, invoice etc).

Place of Performance, Applicable Law and Place of Jurisdiction, Legal Costs

The place of performance of the delivery shall be the destination of the goods; the place of payment shall be the registered office of the Buyer. These Terms and Conditions of Purchase shall be governed by the laws of the Republic of Austria, excluding the conflict of laws provisions. The United Nations Convention on the International Sale of Goods (CISG) shall not apply. The courts competent at the corporate seat of the Seller shall have the exclusive jurisdiction for any dispute arising directly or indirectly from the contractual relationship (including actions on bills of exchange). The Seller shall be obligated to reimburse the Buyer all legal costs reasonably incurred, including costs for retaining legal advice and representation. In the event of a dispute the Seller shall not have the right to withhold or cease performance under this contract.