

1. General Conditions

1.1. These General Purchasing Conditions apply to all business relationships between

Neuroth International AG
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Paula-Neuroth-Straße 1
A-8403 Lebring-St. Margarethen, Austria

(hereinafter "NEUROTH") and its B2B suppliers (hereinafter known as "Suppliers"), to the extent that the contracting parties have not expressly agreed otherwise in writing. The present Terms and Conditions shall also apply where NEUROTH unconditionally accepts or pays for deliveries by the Supplier knowing that the Supplier's terms and conditions are contrary to or inconsistent herewith.

1.2. In the following text, the term "supplier" refers not only to suppliers but also to service providers, consultants etc. The term "delivery" includes not only the delivery of goods but also the provision of services and advice.

1.3. Any amendments or additions must be made in writing (e.g. by email, fax, letter) and must be signed by an authorised representative of the company.

1.4. No other terms and conditions in any form whatsoever, are deemed to have been agreed, even where these have not been expressly objected to.

2. Transferable rights

2.1. NEUROTH shall be entitled to transfer in writing and in part or in full all rights and duties arising from the present contract to companies that are affiliated with Neuroth International AG within the meaning of section 15 of the Austrian Stock Corporation Act or section 189a Z 8 of the Austrian Commercial Code (parent companies, subsidiaries, sub-subsidiaries etc.) or to companies retailing under the Neuroth brand and companies that are affiliated with those retailing under the Neuroth brand within the meaning of section 15 of the Austrian Stock Corporation Act or section 189a Z 8 of the Austrian Commercial Code.

3. Conclusion of contract and amendments to contract

3.1. Requests made by NEUROTH to suppliers are simply invitations to submit quotes.

3.2. NEUROTH orders shall only be binding when communicated in writing (e.g. email, fax, by post) and signed by an authorised representative. Verbal orders and agreements shall require subsequent written confirmation and official signature by NEUROTH in order to be legally valid.

3.3. Orders placed by NEUROTH must be confirmed by Suppliers within 3 (three) working days and a binding deadline for delivery provided. Should a supplier not accept an order within this period, NEUROTH shall be entitled to withdraw the order.

3.4. The Supplier shall be required to submit only binding quotes. NEUROTH shall not be charged for the preparation of quotes. Suppliers shall not be remunerated by NEUROTH for activities relating to the initiation of contracts.

3.5. NEUROTH may also request amendments to items to be delivered, to the extent that this is acceptable to Suppliers. The effect of any such amendments, in particular any increase or decrease in costs or any changes to deadlines, shall be agreed mutually as appropriate. Any amendment on the part of Suppliers shall be subject to written agreement in advance from NEUROTH.

4. Prices and terms of payment

4.1. Prices shall be fixed and exclusive of the relevant statutory value added tax. This excludes any unilateral price increases or any supplementary or additional claims on the part of the Supplier.

4.2. If prices have not been determined by NEUROTH when an order is placed, the Supplier shall quote the price on the order confirmation. In this event, a contract with NEUROTH shall only come into effect once NEUROTH has provided confirmation of the prices in writing. Any ancillary costs (transport, insurance, packaging, customs duties) must be indicated separately in Suppliers' quotes. In the absence of any written agreement to the contrary, such ancillary costs shall – with the exception of statutory sales tax – be borne by Suppliers.

4.3. To the extent that it is not agreed otherwise, payment of the net amount shall be made within 45 days, or of the amount with a 3% discount within 14 days, subject to the timely provision of an auditable invoice. In the event that early delivery is accepted, the deadline for payment shall be determined on the basis of the agreed delivery date.

4.4. Invoices issued must refer to a delivery note or other proof of performance (and if this is not available, to the order) and in the event that the services provided by the Supplier are VAT-deductible must comply with the provisions of the Austrian Value Added Tax Act, to ensure that NEUROTH is entitled to deduct VAT.

4.5. Unconditional payment is an indicator neither of any recognition that a delivery is correct nor of the waiving of any existing rights on the part of NEUROTH.

4.6. In the event of a defective delivery NEUROTH shall be entitled to withhold payment in part or in full. Any and all rights on the part of the Supplier to withhold payment are excluded.

5. Offsetting and assignment

5.1. The Supplier shall not be entitled to assign any claims against NEUROTH either in full or in part to third parties or have them collected by third parties, without written consent from NEUROTH in advance (e.g. by email, fax or post), signed by an authorised representative (prohibition of assignment).

5.2. The Supplier shall only have a right of offset in respect of uncontested claims or claims that have been legally established. Rights of retention shall only exist to the extent that they derive from the same contractual relationship.

6. Delivery (delivery dates, transfer of risk, transport)

6.1. Agreed delivery dates and deadlines shall be binding on the Supplier. The key factor for compliance with dates and/or deadlines shall be the arrival of the delivery at NEUROTH. The Supplier shall be required to inform NEUROTH in writing immediately and without being requested to do so of any potential delay or variation in quality and the causes of such delay or variation, and to take all appropriate steps to avert any delay in delivery or minimise any potential damage, at their own expense.

6.2. The Supplier undertakes to label goods deliveries with order numbers, item numbers, position numbers and quantity, ensuring that such information is clearly visible on the packaging, and to provide the necessary accompanying paperwork, customs tariff number and proof of origin for the whole delivery.

6.3. The form of packaging shall be selected by the Supplier, taking account of the specific requirements of the item being delivered, so as to ensure that it is adequate to prevent the item being damaged during either transport or storage. Partial and advance deliveries shall require written authorisation (e.g. email, fax, post) from NEUROTH.

6.4. In the event that the Supplier causes delivery deadlines to be exceeded, NEUROTH shall be entitled to claim a contractual penalty in the amount of 5.0%

of the value of the service ordered. A further 0,2% shall be added at the start of every additional day, up to an agreed total not exceeding 10% of the overall value of the delivery in question. NEUROTH reserves the right to assert additional claims.

6.5. Where delivery deadlines and periods are exceeded, NEUROTH shall be entitled, but not obliged, to procure the goods or services ordered elsewhere. This right is predicated on NEUROTH having notified the Supplier of its intention in writing (e.g. email, fax, by post) and the Supplier not having remedied the situation by delivering the goods or services within 5 working days of having received such notification. Any additional costs arising as a result of alternative procurement arrangements shall be borne by the Supplier.

6.6. At NEUROTH's request, the size of deliveries affected by delays shall be reduced by the quantity of any alternative delivery arranged. Regardless of this, NEUROTH shall be entitled in the event of any repeated delays in delivery despite the agreement of an appropriate grace period to terminate the contract in writing (e.g. by email, fax, post) with immediate effect; in this event the Supplier shall not be able to derive or assert any claim as a result.

6.7. Unless otherwise agreed, all deliveries shall be made on a DDP (Delivered Duty Paid) basis to the delivery address provided by NEUROTH in line with the Incoterms rules valid on the day the contract was concluded. The place of performance shall be the delivery address provided by NEUROTH and in the event of doubt NEUROTH Head Office.

6.8. In the event of over or under delivery of the quantity ordered or of early delivery, NEUROTH reserves the right to refuse to accept the delivery at the Supplier's expense or to adjust the invoice accordingly. Unconditional acceptance of a late delivery shall not represent any waiving by NEUROTH of its rights in connection with such late delivery.

6.9. Should NEUROTH, for reasons unconnected with the Supplier, not be in a position to accept goods or services that have been ordered, it shall inform the Supplier of this without delay; the Supplier shall be required to take reasonable steps in good faith to avert or minimise the resulting losses (duty to minimise damages). NEUROTH shall only potentially be required to pay compensation if the goods or services cannot be deployed elsewhere. Such compensation shall be limited to the demonstrable direct costs of the goods or services described in the order. However, pursuant to section 1168 of Austrian Civil Code the Supplier must take into account any savings resulting from not having undertaken the work, or any profit derived or deliberately foregone as a result of having deployed goods or services elsewhere. Further claims on the part of the Supplier, in particular relating to loss of profit, are excluded.

7. Guarantee

7.1. The Supplier guarantees that the services agreed upon in the contract shall be free of defects.

7.2. In view of the pre-delivery inspection to be undertaken by the Supplier, NEUROTH shall only be required to carry out a receiving inspection in respect of externally identifiable damage or deviations in quality and quantity. The Supplier shall therefore be fully responsible for ensuring that the goods and services are flawless and conform with the documentation; the Supplier therefore expressly waives the right to use non-notification or improper notification of defects as a defence or to object to such non-notification or improper notification in accordance with section 377 of the Austrian Commercial Code.

7.3. Where as a result of random checks NEUROTH identifies defects in goods that have been delivered, NEUROTH shall be entitled to refuse to accept the entire delivery batch on which the random checks were performed, without prejudice to existing rights (guarantee, compensation, etc.).

7.4. The Supplier shall be required to remove defective goods or services and provide replacements. All associated costs shall be borne by the Supplier.

Should the Supplier not fulfil this obligation, they shall be required to meet in full any costs accrued by NEUROTH for sorting and improving the quality of such goods or services. Notwithstanding the above, the Supplier undertakes to meet the costs of any replacement and/or covering purchases and to meet the costs of any business interruption.

7.5. In the event of defective deliveries NEUROTH shall also be entitled to assert all claims relating to guarantees and compensation, and to require the Supplier to improve/exchange or replace the goods/services, reduce the price, convert or pay compensation as it sees fit.

8. Liability

8.1. The Supplier shall indemnify NEUROTH for all damage, consequential damage, expenses and costs (including recall costs) of any kind and shall hold NEUROTH harmless in respect of any third party claims that can be traced back to defects in goods or services or to other breaches of contract by the Supplier.

8.2. The Supplier also undertakes to compensate NEUROTH for all damages in accordance with the Austrian Product Liability Act (PHG) and to indemnify and hold NEUROTH harmless for all third party product liability claims. The Supplier shall be required to reimburse NEUROTH for all costs and expenses, including the costs of any legal proceedings or product recalls.

8.3. The application of section 2 of PHG is excluded in respect of products supplied to NEUROTH by the Supplier. This means that compensation should be paid for all damages arising from defective products provided by the Supplier, including to property that is primarily used in NEUROTH's business. The deductible regulation between the Supplier and NEUROTH is also excluded.

8.4. The Supplier undertakes to take out product liability insurance and recall cost insurance in respect of the goods/services to be delivered with an appropriate level of cover for personal injury and property damage and to provide proof of such insurance.

9. Duty to provide information

9.1. The Supplier shall be required to inform NEUROTH in writing (e.g. by email, fax or post), without delay and without being asked, of any existing business relationships with competitors in the same line of business as NEUROTH, in particular audiologists and hearing aid retailers and manufacturers and in particular before entering into the business relationship.

10. Third party rights

10.1. The Supplier undertakes to hold NEUROTH harmless in respect of third party claims relating to breaches of property rights that arise from the supply of goods or the provision of services, and to reimburse NEUROTH in full for all expenses and costs in connection with such claims.

10.2. The Supplier assigns to NEUROTH exclusive rights in respect of findings (know how) arising in connection with the execution of the agreement to supply goods or services, including industrial property rights, to the extent that the delivery of goods or services was provided on behalf of NEUROTH in return for payment.

10.3. The registration and assertion of intellectual property rights arising in connection with orders (delivery/services) that have been paid for by NEUROTH are exclusively matters for NEUROTH.

10.4. NEUROTH shall also retain these rights in the event that a contract is terminated early; such rights shall relate to results (know-how) acquired before the termination of the contract.

11. Confidentiality

11.1. The Supplier undertakes to keep confidential in perpetuity all commercial and technical information of which they have become aware in connection

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with their business relationship with NEUROTH or companies affiliated with NEUROTH pursuant to section 15 of the Austrian Stock Corporation Act or section 189 Z 8 of the Austrian Commercial Code and/or the results of any of their work, regardless of how such information has come to their attention. The Supplier undertakes to require contractual partners or other third parties to observe the same levels of confidentiality.

11.2. The duty of confidentiality set out in the previous paragraph shall not apply to the extent that the facts in question can be proved to have been referred to a court or a public authority pursuant to a statutory or legal obligation, or are state of the art in the public domain, or are passed on without the involvement of the supplier, or were demonstrably already known to the supplier in that specific form, or were or are passed on by an authorised third party not subject to any obligation to maintain confidentiality, or are developed independently by the supplier without the involvement of NEUROTH and without using any information or knowledge acquired as a result of the business relationship.

11.3. The duty of confidentiality shall apply for the duration of the business relationship with NEUROTH and for a period of 10 (ten) years following the cessation of the business relationship.

11.4. The supplier undertakes to treat its business relationship as confidential and may only use its business relationship with NEUROTH for advertising and/or make the business relationship public on the basis of written consent (e.g. by email, fax or post) granted by NEUROTH.

12. Data Protection

12.1. In the context of its business relationship with NEUROTH, the Supplier undertakes to comply with the applicable data protection regulations (GDPR and applicable national provisions).

12.2. The Supplier further undertakes to take appropriate technical and organisational steps and other safeguards to ensure that confidential or company-related data/information pertaining to NEUROTH is protected from unauthorised access and usage.

13. Miscellaneous provisions

13.1. It is agreed that the exclusive place of jurisdiction for any disputes arising from the present General Purchasing Terms and Conditions or from the contractual relationship between the Parties, including those concerning the existence or non-existence of a contract, shall be the competent court in Graz in accordance with section 104 of the Court Jurisdiction Act/Art 25 of the EU Regulation on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters. NEUROTH shall also be entitled to bring an action against the Supplier in the court where the Supplier's head office is located.

13.2. The present Purchasing Terms and Conditions and all contractual relationships between the Parties shall be exclusively subject to Austrian law. The application of conflict of law rules and the United Nations Convention on Contracts for the International Sale of Goods is excluded.

13.3. The language of the contract is German; where the Parties also make use of another contractual language, the German text shall take precedence.

13.4. Force majeure, such as wars, natural disasters or other unforeseeable and unavoidable events, shall release the contracting parties from their contractual obligations for the duration of the disruption and to the extent of its effect. However, the contracting partners shall be required as far as is reasonable to provide each other with necessary and/or required information without delay and to adapt their requirements to the changed circumstances in good faith.

13.5. Should individual provisions of the present Purchasing Terms and Conditions become invalid, ineffective or unworkable, either in part or in full, this shall not affect the validity of the remaining provisions. The invalid, ineffective or unworkable provision shall be replaced by a provision whose commercial and general purpose comes closest to that of the original provision.

13.6. Revocations of, or amendments or additions to, the present Purchasing Terms and Conditions must be made in writing (e.g. by email, fax, post); this also applies to any waiver of the requirement for written form.

(As at 3/2021)