

General Terms & Conditions (GTCs) of Zühlke Engineering (Austria) GmbH



1 Scope and applicability

- (a) These General Terms & Conditions ('GTCs') regulate the contractual relationships between Zühlke and the Client (the 'PARTIES'). They apply to all services that the Client receives from Zühlke, even if no reference is made to the GTCs in the specific case in question.
- (b) The Client's general terms and conditions do not apply.
- (c) These General Terms & Conditions apply exclusively to entrepreneurs, i.e. any permanently established organisation pursuing independent economic activity, even if it is not profit-oriented. Legal entities under public law are always considered entrepreneurs.
- (d) Defined terms have the same meaning within all documents that form part of the Contract.

2 Conclusion of contract and contractual components

- (a) Quotes from Zühlke are valid and binding for 14 days provided that the quote itself does not specify a different validity period.
- (b) A contract between Zühlke and the Client (the 'CONTRACT') is concluded as follows:
 - (i) By mutual signing of a written contractual document (the 'CONTRACTUAL DOCUMENT');
 - (ii) By signing of the quote or by means of an order confirmation from Zühlke in relation to an order placed by the Client; or
 - (iii) By implied conduct, namely by the Client receiving services provided by Zühlke that would usually only be performed for remuneration.
- (c) The CONTRACT is made up of the following components, which apply in the following order of priority in the event of contradictions:
 - (i) CONTRACTUAL DOCUMENT or quote and order confirmation;
 - (ii) Schedules;
 - (iii) Zühlke's GTCs.
- (d) In the presence of a CONTRACTUAL DOCUMENT, the quotes from Zühlke and the performance specifications from the Client are only considered contractual components if the CONTRACTUAL DOCUMENT contains explicit references to these documents.
- (e) The quote has priority over the performance specifications.
- (f) Deviations from the GTCs are only valid if they are specified in an individual agreement.

3 Services

Zühlke shall provide the services set out in the CONTRACT (the 'SERVICES'). These may specifically include the following types of Services:

- (a) Project services with responsibility for results ('PROJECT SERVICES');

- (b) Consulting services without responsibility for results ('CONSULTING SERVICES').

4 Place of Fulfilment

Unless agreed otherwise, the place of fulfilment shall be the premises of Zühlke.

5 Scheduling

The specified delivery dates and provision of service times are not fixed, unless explicitly agreed otherwise.

6 Acceptance

- (a) PROJECT SERVICES shall be inspected by the Client on the agreed date. If no inspection date has been agreed, inspection shall take place as soon as is customary in the ordinary course of business. The Client will inspect all interim results provided by Zühlke (test results, documentation, specifications, program parts etc.) on an ongoing basis and notify Zühlke without delay in writing about any objections.
- (b) Zühlke shall be notified without delay and in writing of any detected defects.
- (c) If the Client fails to perform the inspection or fails to notify Zühlke of detected defects, or fails to do so in good time, the relevant SERVICES shall be deemed to have been accepted.
- (d) Only defects that significantly impair the use of PROJECT SERVICES ('SIGNIFICANT DEFECTS') shall entitle the Client to refuse acceptance. All other defects shall be considered insignificant ('INSIGNIFICANT DEFECTS'), and shall not entitle the Client to refuse acceptance.
- (e) Acceptance is deemed to have occurred when a PROJECT SERVICE is used productively.

7 Default

- (a) If Zühlke fails to meet an agreed and binding deadline related to the PROJECT SERVICES, the Client must deliver to Zühlke a default notice, upon receipt of which Zühlke shall be in default. Setting a reasonable grace period (minimum 10 working days), the Client shall request subsequent fulfilment.
- (b) All declarations by the Client pursuant to Clause 7(a) must be made in writing in order to be valid.

8 Involvement of Third Parties

- (a) Zühlke may engage subcontractors domestically and abroad to perform the Services.
- (b) The Client shall be entitled to refuse subcontractors for justifiable reasons.
- (c) Zühlke shall be responsible for the services rendered by such subcontractors as it is for its own. Clause 19 explicitly applies.
- (d) As part of rendering the Services, Zühlke can use cloud services, data centre services and ChatGPT, GitHub Copilot or other AI from third parties.

9 Cooperation of the Client

- (a) The Client shall, in a timely manner, provide Zühlke with all the information needed to fulfil the Contract.
- (b) The Client shall create the conditions necessary for Zühlke to perform the SERVICES. In particular, the Client has the following obligations:
 - (i) cooperation in the project organisation;
 - (ii) appointing a project manager, who has the required skills and capacity and who may only be replaced for good cause and only with the approval of Zühlke;
 - (iii) timely procurement of the materials and means that are to be made available by the Client, such as third-party products, third-party services and services that the Client will perform itself;
 - (iv) securing and coordinating the services of secondary suppliers of Zühlke;
 - (v) performance of regular data backups;
 - (vi) informing Zühlke about regulatory requirements and specific technical standards, provided that the provision of this information is not expressly assigned to Zühlke in the CONTRACT;
 - (vii) obtaining the necessary authorisations, permits and licences.
- (c) If the Client does not fulfil its cooperation obligations, any deadlines that Zühlke would be bound by may no longer be adhered to and the Client shall compensate Zühlke for additional expenses and losses that Zühlke incurs due to the Client's delay and breach of its cooperation obligations. Unproductive time due to such a delay shall be regarded as working time.

10 Special Provisions for Product Development

- (a) If a product which Zühlke was involved in developing is put into mass production, the Client is obliged to make clear that it is the manufacturer of the product by applying relevant labelling to the product and by clarifying this in the accompanying documentation. In the absence of any other written agreement, the Client must not make reference to the involvement of Zühlke, in particular neither on the labelling applied to the product nor in the documentation.
- (b) The Client is responsible for adhering to the obligations of the manufacturer, distributor, legal manufacturer or the like, unless these obligations have been explicitly assigned to Zühlke in writing.

11 Changes to the Services

- (a) Both PARTIES may request changes to Services. If a change to Services results in additional expenses, Zühlke shall be compensated accordingly by the Client.
- (b) If an impact on costs or deadlines is expected, Zühlke shall inform the Client in a suitable manner and prior to performing the revised SERVICES, except for cases of particular urgency.

12 Remuneration

- (a) The Client shall pay Zühlke the remuneration as specified in the CONTRACT; such remuneration is either calculated on a time and materials basis, as a fixed price or as a flat rate service charge. Unless agreed otherwise, Zühlke shall be remunerated on a time and materials basis.
- (b) The Client shall accept Zühlke's rates in force at the time of conclusion of the Contract.

- (c) Value added tax shall be stated and invoiced separately.
- (d) For assignments carried out away from Zühlke's premises, travel time shall be regarded as working time. Zühlke shall also be entitled to reimbursement of travel and general expenses.

13 Invoicing

- (a) Unless agreed otherwise, Zühlke shall invoice the SERVICES monthly after the performance of the Services.
- (b) Invoices from Zühlke shall be paid within 14 days from the date of the invoice. Should the invoice not be paid within this period, the Client shall, without further notice, be in default of payment and owe interest on arrears at a rate of 5% per annum.

14 Non-Solicitation Agreement

- (a) The PARTIES are not permitted to actively entice (directly or indirectly) employees of the other PARTY to work for them. This also applies to persons who performed work for the Client as an employee of a subcontractor of Zühlke.
- (b) This non-solicitation agreement shall apply for the duration of the performance of the Services as well as for 1 year thereafter.
- (c) If this non-solicitation agreement is breached, a contractual penalty of EUR 50,000 shall be owed per breach.

15 Intellectual Property Rights

- (a) If the results of PROJECT SERVICES constitute a patentable invention, the Client is entitled to this patent after having paid the owed remuneration for the Project Services in full. The transfer of the intellectual property right is free of charge. If Zühlke is obligated to pay remuneration due for employee inventions, the Client shall reimburse Zühlke for this remuneration to a corresponding amount. The filing of patents is not part of the SERVICES provided by Zühlke. If required and possible, Zühlke may provide support services regarding the filing of patents for a separate fee.
- (b) With regard to all other intellectual property rights (in particular copyrights and expertise), the Client shall be granted a comprehensive right of use (the 'RIGHT OF USE') after having paid the owed compensation in full. Unless expressly agreed otherwise, all rights to use the work (in accordance with Section 24 (1), Sentence 2 of the Austrian Copyright Act (UrhG)) remain with Zühlke.
- (c) The RIGHT OF USE shall allow the Client the use of the work results for the purpose stipulated in the relevant agreement. The Right of Use is of an unlimited duration and transferable, and also includes the right to processing and distribution, unless otherwise specified.
- (d) The RIGHT OF USE is not exclusive. Furthermore, the Client is not entitled to independently distribute standard components of Zühlke (in particular frameworks and shared libraries) in any other way than together with the work results in which such components are integrated.
- (e) If a third-party product or open-source software is an integral component of the SERVICES, the licence provisions of the third party manufacturer or the applicable open source licence shall apply to such third party products.

16 Warranty

16.1 Notice of Defects

The Client shall notify Zühlke immediately and in writing upon detecting defects. Otherwise, the Client shall lose its warranty rights

and its claims for damages due to the defect itself (Section 933a (2) of the Austrian Civil Code) as well as those arising as a result of a mistake regarding the defect-free status of the items (Section 871 et seq. of the Austrian Civil Code).

16.2 Project Services

- (a) In the case of PROJECT SERVICES, Zühlke guarantees that these have the agreed properties and are suitable for the contractually prescribed use.
- (b) The warranty period is 12 months. The period begins with the full acceptance of the work results. The Client's rights arising from the warranty and any claims arising from a price reduction or contract termination expire three months after expiry of the warranty period.
- (c) During the warranty period, the Client shall be entitled to remedy of defects. This does not apply in circumstances such as if the services rendered by Zühlke are modified by the Client or a third party it has commissioned. If the SERVICE relates to software, it may be sufficient for Zühlke to provide the Client with a patch or bug fix or inform it of reasonable workarounds.
- (d) If defect remediation is unsuccessful, the Client shall, upon setting a reasonable deadline in writing, be entitled to a reduction of the price corresponding to the impact in value or – only in the case of NON-MINOR DEFECTS – to withdraw from the CONTRACT (contract termination). The Client's right of self-fulfilment is excluded.
- (e) Clause 19 applies in the case of damage compensation and compensation for futile expenditure.

16.3 Consulting Services

Zühlke shall provide CONSULTING SERVICES with due professional diligence.

17 Defects in Title

17.1 Principle

- (a) If the Client, using the PROJECT SERVICES in the contractually defined manner, is held liable by a third party for an asserted infringement of intellectual property rights (the 'INFRINGEMENT OF RIGHTS'), Zühlke provides a warranty if the following conditions are met:
 - (i) the PROJECT SERVICES have not been amended by the Client itself or by a third party appointed by the Client;
 - (ii) the asserted claim is notified to Zühlke in writing without delay;
 - (iii) the Client follows the instructions of Zühlke in defending against the third-party claim and refrains from conducting negotiations with or making commitments to the third party without the prior consent of Zühlke;
- (b) Clause 17.1 (a) does not apply to patent infringements. Zühlke does not conduct its own patent research and is not liable for patent infringements.
- (c) If the alleged INFRINGEMENT OF RIGHTS proves to be unjustified, the Client shall reimburse Zühlke the costs and expenses caused by the defence of the third-party claims.

17.2 Services provided by Zühlke

- (a) The period of limitation for claims arising from this Clause 17 is 12 months. It begins with the provision of the Services.
- (b) Zühlke may decide at its own discretion to conduct the legal dispute with the third party or to recognise the claim of the third party and to either ensure that the Client has the right to

continue using the PROJECT SERVICES, either by replacing or modifying them such that the INFRINGEMENT OF RIGHTS no longer exists, or to withdraw the PROJECT SERVICES and reimburse the Client for the payments received for it.

- (c) Should Zühlke decide to pursue a legal dispute, the Client shall, insofar as legally permissible, allow Zühlke to conduct any legal proceedings as well as leave any negotiations aimed at reaching an amicable settlement of the legal dispute solely to Zühlke. In addition, the Client shall provide Zühlke with all the necessary information and render to Zühlke all support reasonably necessary.
- (d) Zühlke shall also provide the Client with compensation for direct damages within the framework of the agreed limitation of liability, unless Zühlke is not responsible for the INFRINGEMENT OF RIGHTS.
- (e) Third-party rights within the meaning of this Clause 17 are exclusively those rights to which third parties in the Republic of Austria are entitled.

18 Warranty for Open-Source and Third-Party Products

A separate warranty from Zühlke for open-source software and other third-party products is excluded. Any general warranty claims of the Client relating to open-source software and third-party products shall exist exclusively vis-à-vis the third-party manufacturers and in accordance with their general warranty conditions.

19 Liability

- (a) Zühlke shall be liable towards the Client for damages which are due to a culpable breach of Contract by Zühlke, irrespective of the legal basis, up to an amount of EUR 200,000.
- (b) Liability for lost profits, third-party components, unrealised savings, recourse claims by third parties, damages arising from the interruption of business and for additional consequential damages shall be excluded.
- (c) The limitation of liability defined in this Clause does not apply to personal injury, to claims in accordance with the Product Liability Act, if a defect is fraudulently concealed or if a quality guarantee has been granted, or for damage caused intentionally or through gross negligence.
- (d) Insofar as Zühlke's liability is limited, this also applies to the liability of its employees and vicarious agents.

20 Indemnification

- (a) If a claim is brought against Zühlke by third parties or government authorities in connection with the SERVICES, the Client shall be obliged to fully indemnify Zühlke in the following cases:
 - (i) claims relating to product liability;
 - (ii) claims resulting from the infringement of patents of third parties, provided that Zühlke itself was not commissioned with the patent research;
 - (iii) claims relating to damages resulting from the use of the Services outside of the contractually agreed purpose;
 - (iv) claims arising from violations of existing export regulations.
- (b) The obligation to indemnify shall not apply if Zühlke itself is responsible for the claim, due to an intentional or negligent breach of a contractual obligation.
- (c) Indemnification shall, in addition to reimbursement of legitimate third-party claims, include all the costs arising from the contesting of third-party claims.

21 Force Majeure

- (a) If a PARTY is prevented from fulfilling its contractual obligations in whole or in part due to force majeure, the PARTY concerned shall be released from its liability due to non-performance as long as the force majeure event continues.
- (b) Force majeure refers to external events that have an effect on the PARTIES and over which the PARTIES have no influence. Situations of force majeure include in particular: disruptions of the public power supply and the communications and transportation infrastructure, government measures, viruses or hacking attacks, fire, extraordinary weather events, epidemics and pandemics, nuclear and chemical accidents, earthquakes, wars, terrorist attacks, strikes and sabotage etc.
- (c) If a force majeure event lasts more than 30 days, either PARTY may terminate the CONTRACT retroactively as per the date the force majeure occurred. SERVICES performed up until that date shall be remunerated.

22 Data

- (a) Regarding the processing of information from the Client (the 'CLIENT DATA'), Zühlke acts as a data processor. The sole owner of the CLIENT DATA is the Client.
- (b) Zühlke undertakes to only process CLIENT DATA on behalf of the Client and in compliance with data protection legislation.
- (c) For this purpose, Zühlke may employ the services of accordingly qualified third parties.

23 Confidentiality

- (a) The PARTIES undertake to maintain confidentiality regarding all facts, information and data about which they become aware as part of the business relationship and which the other PARTY has an interest in keeping confidential. The duty of confidentiality shall also include the prohibition of use for non-contractual purposes.
- (b) The duty of confidentiality shall survive the termination of the agreement for as long as an interest in confidentiality exists.
- (c) Information that is generally known or that is made accessible to a PARTY by a third party independently from the business relationship shall not be deemed to be subject to confidentiality. Statutory disclosure requirements remain reserved.
- (d) The PARTIES shall ensure that their employees, auxiliary personnel and subcontractors are obligated to maintain confidentiality.
- (e) The obligation to maintain confidentiality applies towards third parties. Affiliated companies of the respective PARTY are not considered to be third parties in accordance with Section 189a Z 8 of the Austrian Commercial Code.
- (f) Zühlke may list the Client as a reference client in advertising material, including its logo. A more detailed account of the client relationship shall require the prior consent of the Client.
- (g) The Parties agree that the use of cloud services and data centre services from third parties do not constitute a breach of confidentiality obligations. The obligation to maintain confidentiality shall continue beyond the termination of the Contract.

24 Export Control

The Client shall ensure that all applicable export control regulations, custom regulations and foreign trade regulations of the European Union and the Republic of Austria ('FOREIGN TRADE REGULATIONS') are complied with in all respects with regard to the SERVICES.

25 Term of the Contract

25.1 Ordinary Term

- (a) CONTRACTS regarding PROJECT SERVICES shall end with the completion of the SERVICES. Zühlke may terminate CONTRACTS for PROJECT SERVICES with a notice period of 14 days. In such cases, Zühlke shall be entitled to request the remuneration that is due for the part of the Services provided up to the date of the termination. The Client receives all work results created up to the date of the termination, as well as the associated intellectual property rights, in accordance with the provisions in Clause 15. Ordinary termination by the Client is regulated by the relevant statutory provisions.
- (b) CONTRACTS regarding CONSULTING SERVICES can be terminated with a notice period of 30 days to the end of the month, unless agreed otherwise.

25.2 Extraordinary Termination

- (a) Each PARTY can terminate a CONTRACT without adhering to any notice period if the other PARTY severely breaches the CONTRACT or if it has become bankrupt or the subject of composition proceedings. Zühlke can terminate a CONTRACT for good cause and without adhering to any notice period if the Client has repeatedly or for a long period of time defaulted on payments to a non-insignificant amount.
- (b) Prior to extraordinary termination due to a breach of contract, the other PARTY can issue a written warning with a reasonable deadline if timings allow and if this deadline is reasonable to the terminating PARTY.

25.3 Form

Notice of termination must be issued in writing in order to be valid.

26 Changes to Legal Frameworks

In the event of changes of the legal frameworks that significantly affect the relationship between Services and remuneration provided for an Individual Agreement, the PARTIES shall negotiate in good faith to adjust the affected provision.

27 Final Provisions

27.1 Form

Changes or additions to the contractual provisions must be made in text form (e-mail exchange or similar) in order to be deemed valid by mutual agreement.

27.2 Assignment

A CONTRACT and the individual rights and obligations arising therefrom may only be transferred or assigned with the consent of the other PARTY.

27.3 Offsetting

The Client is only entitled to offsetting or retention if its counterclaim is determined as legally valid or is undisputed or recognised by Zühlke.

27.4 Partial Invalidity

The invalidity or contestability of one or more provisions of a CONTRACT shall not void the validity of the remaining provisions. The PARTIES shall endeavour in such a case to replace the invalid or contestable provision with another valid and legally enforceable provision that reflects in its legal and commercial content the repealed provision as closely as possible.

27.5 Jurisdiction and Applicable Law

- (a) Austrian law applies, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.
- (b) The sole place of jurisdiction is the Commercial Court of Vienna.