General Terms and Conditions of Purchase– 07/2026

1. **General Provisions**
   These Terms and Conditions shall become an integral part of every contract by which system7 railtechnology GmbH, system7 railsupport GmbH – hereinafter referred to as the "Buyer" – orders supplies of goods or services from an entrepreneur. Conflicting or deviating delivery terms or other restrictions of the supplier or service provider – hereinafter referred to as the "Supplier" – shall not apply, without the need for an express objection, unless the Buyer has expressly agreed to them in writing or in text form in the individual case.
   Other agreements, amendments, and ancillary agreements shall only be valid if the Buyer has given its consent in writing or in text form.

2. **Offer**
   In its offers, the Supplier shall adhere strictly to the inquiry regarding quantities and quality and shall explicitly point out any deviations. Offers, cost estimates, and the provision of samples shall be free of charge

3. **Orders**
   Orders or amendments to orders shall be made in writing. Every order or order amendment must be confirmed by the Supplier in writing. All documents must state: order number, order date, commission, delivery address, and billing address. The Buyer shall be entitled to cancel the order if the Supplier does not accept the order within 5 working days of receipt by means of an order confirmation. Any deviations from the order must be clearly highlighted in the order confirmation and require the written consent of the Buyer.

4. **Prices, Invoicing, Payment**
   The price stated in the order shall be binding and includes delivery DDP Buyer’s plant Incoterms 2020, including customary packaging suitable for the means of transport, transport insurance, import duties and other levies, and statutory value-added tax (VAT).
   Invoices shall be transmitted by the Supplier exclusively by electronic means to invoices@s7-rail.com, stating the order reference.
   Payment shall be made, subject to complete delivery, within 60 days net or with a 3% cash discount within 30 days of receipt of the invoice.
   Payment terms shall run from the agreed date, but at the earliest from the receipt of goods and invoice. Payment terms shall only be triggered if all requirements for invoicing and goods shipment are complied with by the Supplier. Otherwise, they shall be extended by the period of processing resulting from the non-compliance with the regulations.
   In the event of defective delivery / performance, the Buyer shall be entitled to refuse or withhold payment until proper fulfilment.
   The Supplier shall not be entitled to transfer its rights and/or obligations existing towards the Buyer, in particular to assign its claims against the Buyer or have them collected by third parties, without the prior written consent of the Buyer.
   Payment does not constitute acceptance of terms and prices

5. **Delivery, Contract Execution**
   Agreed delivery dates or delivery periods shall be binding. If no delivery period is expressly agreed upon, delivery shall be made within one calendar week from the order date. The receipt of the goods by the Buyer (delivery address) shall be decisive for compliance with the delivery date / delivery period.
   Delivery prior to the agreed date shall only be permitted with the prior written consent of the Buyer. No disadvantages shall arise for the Buyer from a premature delivery / performance.
   In particular, the payment term shall not commence prior to the arrival of the delivery at the Buyer.
   Non-compliance with the agreed delivery time shall entitle the Buyer, even in the case of partial deliveries that have already been made, at its discretion, either to withdraw from the contract after setting a reasonable grace period or to insist on performance and claim damages. Circumstances that make the delivery time impossible must be communicated to the Buyer in writing immediately upon becoming known.

6. **Delay in Delivery / Performance**
   The Supplier must notify the Buyer immediately, by stating the reasons and the estimated duration of the delay as soon as contractual (delivery) obligations in whole or in part, or not in due time can be assumed to be not fulfillable

In the event of a delay in delivery, the Buyer shall be entitled – without prejudice to statutory claims and regardless of fault – to demand from the Supplier a delay compensation of 1% of the total contract value per commenced week of delay, up to a maximum total of 10% of the total contract value as a contractual penalty. The Buyer reserves the right to assert any damages exceeding this amount as well as other claims.

7. **Transfer of Risk and Shipment**
Subject to any written agreement to the contrary, the time of the transfer of risk, both in cross-border and non-cross-border traffic, shall be determined in accordance with Incoterms 2020. If no agreement has been made in this regard, the clause DDP Buyer's plant Incoterms 2020 shall apply.
In all shipping notices, delivery notes, packing slips, bills of lading, invoices, and on the outer packaging, the order references and details regarding the receiving department prescribed by the Buyer must be stated. A delivery note, packing slip, and, if applicable, safety data sheets must be enclosed with the delivery. All shipments that cannot be accepted due to non-compliance with these regulations shall be made at the expense and risk of the Supplier. The Buyer shall be entitled to determine the contents and condition of such shipments. Furthermore, the Buyer shall be entitled, at its discretion, to return deliveries that do not comply with the requirements of the order at the expense and risk of the Supplier.

8. **Incoming Goods Inspection / Documentation**
Upon receipt of the delivery, the Buyer shall inspect within a reasonable period whether the delivery corresponds to the ordered type and quantity (by means of the delivery note), and whether there are any externally recognizable transport damages. The Buyer is expressly under no obligation to conduct any further incoming inspection pursuant to Section 377 of the Austrian Commercial Code (UGB). Furthermore, the Buyer is under no obligation to give notice of defects pursuant to Section 377 UGB.
The Buyer can only consider the delivery to be complete and free of defects after receipt of any documentation requested. It is within the Supplier's sphere of responsibility to guarantee that the documents are free of defects and complete. The Supplier shall send the documentation, material certificates, and test documents requested in the order to the email address documents@s7-rail.com, stating the order number in the subject line. The documentation shall be sent simultaneously with the delivery of the goods. The Buyer reserves the right to direct payment only after receipt of the documents. Any cash discount periods shall therefore only begin to run once the scope of delivery is fulfilled and complete in accordance with the order

9. **Warranty**
The Supplier warrants that the item of delivery complies with the contract, is free from defects in title or material, and complies with the terms specified in the purchase order as well as the warranted and stipulated characteristics, the generally recognized rules of technology, the specifications provided by the Buyer, and the standards applicable in Austria regarding employee and environmental protection as well as safety technology.
The Supplier warrants that the delivery and use of the item of delivery by the Buyer do not infringe any (intellectual property) rights of third parties in Austria or abroad. The Supplier waives the defense of untimely notice of defects. Payment made by the Buyer shall not be deemed a waiver of warranty, damage, or guarantee claims. In the event of a notice of defect or a complaint, the Buyer has the right to withhold the corresponding portion of the price or the entire price.
In the event of a defective performance, the Buyer may initially request, at its option, either remedy of the defect or replacement of the goods at the cost and risk of the Supplier. If both remedies are impossible or involve disproportionate effort for the Supplier, or if the Supplier fails to comply with its obligation to remedy or replace within a reasonable period, the Buyer may demand a price reduction or rescission of the contract.
If the Buyer opts for the remedy of the defect pursuant to Section 932 (1) of the Austrian General Civil Code (ABGB) and the Supplier is culpably in default with the rectification of the defect, the Buyer shall be entitled to rectify the defect itself or have it rectified by a third party at the cost and risk of the Supplier, without prejudice to the Supplier's further liability for defects.
The warranty for items of delivery and performance shall expire 24 months after final commissioning at the end customer, but no later than 36 months after complete delivery, provided that these items are parts of the end product or flow into the production process ("direct" material); otherwise, the warranty

shall expire 24 months from complete delivery.
If the right to remedy or replacement is exercised, the warranty period shall restart. The Supplier's liability for defects shall also extend to parts or works manufactured or delivered by sub-suppliers

10. Liability

The Supplier shall be fully liable within the scope of the Austrian Product Liability Act (PHG); disclaimers of liability in general or special terms and conditions will not be accepted. Consequently, the Supplier shall bear the full scope of liability for all damages resulting from a defect in its product or performance.
The Supplier undertakes to conclude and provide evidence of a public liability insurance policy, including coverage for extended product liability and recall costs, with an insurer licensed within the EU. The sum insured must be at least EUR 5 million for each of the areas of personal injury, property damage, extended product liability, and recall costs. The Supplier shall be liable for measures taken by the Buyer to avert damage (e.g., recall actions) to the extent that the Supplier is legally and/or contractually obligated to do so.
The Supplier shall indemnify and hold the Buyer harmless from claims based on the Product Liability Act to the extent that the Supplier or its sub-suppliers caused the defectiveness of the product triggering the liability

11. Retention of title

Products provided by the Buyer shall remain the Buyer's property and may only be used for their intended purpose. The processing of products and the assembly of parts shall be carried out for the Buyer. The Buyer shall become co-owner of the products manufactured using its products and parts in the proportion of the value of the provided items to the value of the overall product; to this extent, the products shall be stored by the Supplier on behalf of the Buyer.

12. Compliance

The Supplier undertakes to comply with the system7 Code of Conduct (accessible and downloadable at https://s7-rail.com). The Supplier further undertakes to comply with the UN Global Compact Principles, accessible at: https://www.unglobalcompact.org/what-is-gc/mission/principles. The Supplier undertakes to comply with all statutory and regulatory requirements, norms, and other standards of the country of export, the country of import, and the country of destination applicable at the respective time.
The Supplier shall furthermore ensure that compliance with the UN Global Compact Principles and the Supplier Code of Conduct is also passed on to subcontractors, sub-suppliers, and third parties of any kind engaged by the Supplier for the performance of the contract.
The Supplier guarantees that the subject matter of the contract does not contain any substances of very high concern (SVHC pursuant to Art. 59(10) of the REACH Regulation) or restricted substances pursuant to Art. 67 and Annex XVII of Regulation (EC) No 1907/2006 of the European Union (EU). The Buyer is under no obligation to obtain an authorization under the REACH Regulation for an item delivered by the Supplier.
Any instance of a violation of the Supplier Code of Conduct, the UN Global Compact Principles, or any other requirements mentioned in this section shall entitle the Buyer to immediately terminate all existing contracts with the Supplier for cause

13. Confidentiality

The Supplier is obligated to treat all commercial and technical information and documents that become known to it through the business relationship as confidential, to use them exclusively for the performance of the ordered deliveries and services, and not to disclose them to third parties. These obligations shall be passed on to any sub-suppliers. The confidentiality obligation shall continue to apply after the performance of the contract. It shall only expire if and to the extent that the knowledge contained in the documents or information has become generally known.

14. Inventions, Intellectual Property Rights

The Supplier grants the Buyer the rights of use required for the contractual use of the subject matter of performance (non-exclusive, transferable, unrestricted in terms of time and territory). The Buyer shall receive exclusive rights to work results developed on its behalf (Foreground) against reasonable remuneration. Background rights shall remain with the Supplier; to the extent required for use, non-exclusive rights of use shall be granted.
The Supplier shall be liable for claims resulting from the infringement of intellectual property rights and applications for intellectual property rights when the items of delivery are used in accordance with the contract. The

Supplier shall indemnify and hold the Buyer and its customers harmless from and against all claims arising from the use of such intellectual property rights.

General Obligation
The Supplier undertakes to implement all appropriate technical and organizational measures in accordance with Directive (EU) 2022/2555 ("NIS2 Directive") as well as the respective applicable national implementation regulations (in particular, the Austrian NIS2 Implementation Act) in order to ensure a level of security for its network and information systems that is appropriate to the risk, to the extent that these systems are used for the manufacture, provision, or delivery of the products or services subject to this contract.
Risk Management and Security Standards
In particular, the Supplier undertakes to maintain procedures for risk assessment, access and admission control, security monitoring, staff training, as well as business continuity and emergency planning. Certifications according to ISO 27001, TISAX, BSI IT Baseline Protection, or comparable standards shall be deemed suitable evidence.
Reporting of Security Incidents
The Supplier shall inform the Buyer immediately, but no later than 24 hours after becoming aware thereof, of any security incidents or IT disruptions that have or could have an impact on the deliveries or services subject to this contract.
Evidence and Audit Rights
The Supplier undertakes to provide the Buyer upon request with appropriate evidence of compliance with the NIS2 requirements. After prior notice and to a reasonable extent, the Buyer shall be entitled to conduct audits or security reviews at the Supplier's premises or have them conducted by third parties authorized by the Buyer.
Use of Sub-suppliers
If the Supplier engages sub-suppliers or other third parties to perform services in connection with this contract, it shall ensure that they also comply with the NIS2 requirements set forth in this clause. The Supplier shall remain responsible for compliance with these obligations by its sub-suppliers.
Breach of Contract and Sanctions
In the event of material or repeated breaches of the obligations under this clause, the Buyer shall be entitled to terminate the contract immediately for cause and/or to claim an appropriate contractual penalty.

15. Applicable law and jurisdiction

Substantive Austrian law shall apply to all business and contractual relations between the suppliers and the buyer, to the exclusion of the conflict of law rules. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply. The place of jurisdiction for all disputes and claims arising, in particular also regarding the validity of these Purchasing Terms and Conditions, shall be the court having subject-matter jurisdiction for the registered headquarters of the buyer. The buyer shall, however, also be entitled to assert its claims at the general place of jurisdiction of the supplier.