

# **General Terms and Conditions of Purchase**

of Prangl Gesellschaft m.b.H. and its affiliated companies

# for subcontractors

(Aerial work platforms, cranes and other services)

(Version: January 2022)

## I. Scope of application

- 1. These General Terms and Conditions of Purchase apply to all orders placed by Prangl Gesellschaft m.b.H. and its affiliated companies (hereinafter "Prangl") with subcontractors for the provision of work machines or the provision of crane, lifting and/or other services, unless otherwise expressly agreed in writing. These General Terms and Conditions of Purchase supplement the conditions specified in the respective order. In the event of a contradiction, the terms and conditions of the respective order take precedence over these General Terms and Conditions of Purchase.
- 2. The version of these General Terms and Conditions of Purchase current when any contract is concluded can also be downloaded from the Internet at www.prangl.at.
- 3. In any case, execution of the order by the subcontractor implies acceptance of these General Terms and Conditions of Purchase.
- 4. Any contrary General Terms and Conditions of the subcontractor shall not form part of a contract, even if they are presented to Prangl prior to commencement of the business relationship.
- 5. These General Terms and Conditions of Purchase shall also apply to any future deliveries by the subcontractor, even if no special reference is made to them when placing the order.

# II. Order placement

- 1. Orders are only binding if they are placed on Prangl's order form and are duly signed. Orders must be confirmed immediately by the subcontractor. If Prangl does not receive the order confirmation from the subcontractor until more than 5 working days after receipt of the order, Prangl is still free to feel bound by the order and thus to have a contract concluded or not.
- 2. Orders, order confirmations and delivery schedules must be in writing. This also applies to amendments and supplements.

#### III. Price

- 1. In case of doubt, the agreed prices are fixed prices plus statutory value-added tax.
- 2. For additional services in connection with an order that were not provided for in the order, the same conditions apply as in the original order, unless otherwise agreed in individual cases.

# IV. Provision of work machines (without operating personnel)

- 1. If the subcontractor provides work machines, in particular aerial work platforms, cranes or the like, for use by Prangl, the subcontractor warrants that these devices have been properly maintained and repaired, that they have been tested in accordance with the relevant statutory provisions and the applicable technical regulations, and that they are accordingly fully operational and ready for use.
- 2. Unless expressly agreed otherwise in writing, delivery of the devices to the place of use is at the subcontractor's risk. Delivery must be made on time so that devices are ready for use at the start of work on the first day of the assignment.
- 3. If devices are available only after a delay, the subcontractor shall be liable for all of Prangl's damages resulting from the delay; the same shall apply to losses (due to standing times, penalties, etc.) incurred by third parties and for which Prangl is responsible.
- 4. During the handover, a report shall be made to document the condition of every device at the time of handover. On the return of each device, a new record of its condition shall be made.
- 5. During operation, the devices shall be checked by Prangl's employees. Oil and fuel shall be supplied at Prangl's own expense.
- 6. Should a fault occur that cannot be rectified by Prangl itself on site, Prangl will notify the subcontractor stating the device number, device type and type of fault. In agreement with Prangl, the subcontractor will then immediately take the necessary steps to rectify the fault or arrange for the device to be replaced.
- 7. If Prangl is not at fault for the malfunction of the device, the (pro rata) claim for payment for the device concerned shall lapse until the subcontractor rectifies the malfunction or provides a suitable replacement device on site.
- 8. Prangl is entitled to operate equipment provided by the subcontractor with its own personnel or to hand these devices over to third parties.
- 9. The subcontractor must inspect the equipment upon return and notify Prangl immediately, but at the latest within five working days of return, of any damage beyond natural wear and tear and for which, in the opinion of the subcontractor, Prangl is responsible, in order to enable Prangl to inspect the damage promptly.
- 10. Only if Prangl is at fault shall it be liable for damage to handed-over equipment caused by third parties for which Prangl is responsible or by Prangl itself. Prangl's liability is limited to material damage. In the event that a device cannot be used again immediately due to damage, Prangl shall not be liable for lost profit; in such a case there shall be no claim against Prangl for the reimbursement of the costs of providing reserve vehicles.
- 11. In all other respects, the statutory provisions for the return of equipment against payment, in particular Sec. 1090 ff. Austrian Civil Code (ABGB), shall apply.

## V. Provision of crane or lifting services by the subcontractor

- 1. During the assignment, the subcontractor shall perform the work assigned to it independently and on its own responsibility, i.e. using its own personnel, its own devices/machines and its own specialist knowledge. The subcontractor shall bear the same liability as a contractor for the successful and proper performance of its services.
- 2. Unless expressly agreed otherwise in writing, transport of the equipment/machines to the place of use is at the subcontractor's risk. Delivery must be made on time so that devices are ready for use at the start of work on the first day of the assignment. The same applies to the subcontractor's personnel.
- 3. If the subcontractor's devices/machines/employees are available only after a delay, the subcontractor shall be liable for all of Prangl's damages resulting from the delay; the same shall apply to losses (due to standing times, penalties, etc.) incurred by third parties and for which Prangl is responsible.
- 4. The subcontractor warrants that it will assign to the operations only those employees who are familiar with the crane or lifting work discussed during ordering or planned for the assignment. The employees assigned by the subcontractor must both possess the required formal qualification (e.g. crane licence, forklift licence, etc.) and have sufficient relevant practical experience from other assignments.
- 5. The relevant employee of the subcontractor on site shall be required to carry out and document a safety check on the device and in the immediate working area of the device before starting work and to wear work clothes and personal protective equipment (safety shoes, helmet etc.) during the assignment.
- 6. Unless otherwise expressly agreed, the attachment and removal of lifting tackle on the goods to be moved shall be carried out by Prangl's customer and at its own risk.
- 7. The subcontractor acknowledges that any information that it receives as part of the order concerning the weight and value of the goods to be lifted is, unless otherwise expressly warranted, based on the information provided by the customer, which has not been verified by Prangl and cannot be verified by Prangl on a regular basis in advance. When taking out lifting insurance on the basis of this information, it is therefore all the more important to ensure that any claim of underinsurance by the insurer would be excluded.
- 8. Unless otherwise agreed, Prangl or Prangl's customer shall ensure that the subcontractor's employee has an appropriately trained signaller available at the place of work if necessary. This applies whenever the goods to be lifted during the lifting operation are not continuously visible to the crane driver.

- 9. If Prangl or its customer expressly or implicitly gives expert instructions on work processes in the course of the assignment, this does not release the subcontractor from its obligation to critically question such instructions on the basis of its own expert knowledge and experience and, if necessary, to terminate or refuse to carry out a lifting operation if, from its experience and at its discretion during use, it is apparent that the execution or continuation of the planned lifting operation entails a disproportionate risk for its or other persons or goods. This also applies in the event of inclement weather and other acts of force majeure. In such cases, the subcontractor and Prangl shall endeavour to reach a mutually acceptable alternative solution.
- 10. As a general rule, the subcontractor is liable to Prangl for all losses culpably caused by itself or its agents. This applies not only to material damage, but also to any pecuniary loss (including any third-party penalties), insofar as Prangl itself is responsible for such damage. Any limitation of the subcontractor's liability in the event of slight negligence, as well as the sum insured, must be expressly agreed with Prangl in each case. A limitation of liability provided for in the subcontractor's general terms and conditions shall under no circumstances constitute such an express agreement.
- 11. In all other respects, the statutory provisions on contracts for work and services, in particular Sec. 1165 ff. ABGB, shall apply.

# VI. Provision of escort services by the subcontractor

- 1. If the subcontractor provides escort services in the course of a transport assignment for Prangl, it must be ensured between the driver of the transport vehicle and that of the accompanying vehicle(s) before departure that sufficient communication is guaranteed during the journey. This must also be subsequently guaranteed throughout the entire journey.
- 2. The subcontractor must ensure that all statutory regulations and any special requirements to be observed in individual cases according to the notification of permission are complied with during the journey.
- 3. In addition to protecting traffic to the front or rear, the subcontractor is also obliged to assist the driver of the accompanied vehicle by acting as a signaller at critical points on the road (e.g. roundabouts).
- 4. As a general rule, the subcontractor is liable to Prangl for all losses culpably caused by itself or its agents. This applies not only to material damage, but also to any pecuniary loss (including any third-party penalties), insofar as Prangl itself is responsible for such damage. Any limitation of the subcontractor's liability in the event of slight negligence, as well as the sum insured, must be expressly agreed with Prangl in each case. A limitation of liability provided for in the subcontractor's general terms and conditions shall under no circumstances constitute such an express agreement.
- 5. In all other respects, the statutory provisions on contracts for work and services, in particular Sec. 1165 ff. ABGB, shall apply.

# VII. Obligations of the subcontractor with regard to its personnel

- 1. Before carrying out the order, the subcontractor undertakes to notify Prangl of a contact person who can be contacted for rapid problem solving and provision of information both in the run-up to the service and during its execution. Prangl must be informed in good time if the contact person changes (e.g. replacement during leave periods).
- 2. To fulfil its obligations under the contract with Prangl, the subcontractor undertakes to assign only those employees who have both the necessary professional qualifications and sufficient experience for the relevant assignment. The employees concerned must have the interpersonal and linguistic skills to coordinate and communicate at the place of work with employees of Prangl and other companies on site. If this is not the case, Prangl is entitled to require the subcontractor to assign a different employee, in which case any resulting additional costs or losses shall be borne by the subcontractor; the same shall apply to losses (due to standing times, penalties, etc.) incurred by third parties and for which Prangl is responsible.
- 3. It is Prangl's intention and understanding that the subcontractor shall provide an independent and clearly delimited (partial) service, to be more specifically defined in the relevant order, successful performance of which is solely the responsibility of the subcontractor. The subcontractor remains fully entitled and obliged to give instructions to its employees throughout the entire assignment. Accordingly, the subcontractor must also ensure compliance with provisions of labour law (working hours and payment, occupational health and safety etc.) for its employees, while also fulfilling any duties of coordination between the companies involved at the place of work. The subcontractor must also ensure that the special site safety regulations are observed by its employees. Prangl will ensure that such special safety regulations are made known to the subcontractor in good time.
- 4. Notwithstanding the subcontractor's sole responsibility for its employees, the subcontractor also assures Prangl that the subcontractor will pay its employees in accordance with the provisions of statute, collective agreements and company/individual contracts, and that any applicable taxes, duties and social security contributions will be paid, insofar as the subcontractor is responsible for paying them.
- 5. The subcontractor also warrants that the employees it assigns have the necessary labour permits to work at the relevant place of work. If a permit is not available and a delay or any other disadvantage occurs as a result, the subcontractor shall be liable for all resulting losses; the same shall apply to losses (due to standing times, penalties, etc.) incurred by third parties and for which Prangl is responsible.
- 6. At Prangl's request in individual cases, the subcontractor must make the wage and salary documents for the employees assigned by the subcontractor, including proof of taxes, duties and social security contributions paid and evidence that these employees have permission to work at the place of work, available without delay; where necessary these shall be presented directly to the authority involved. Where required by law, such documents must also be kept available on site by the subcontractor.
- 7. The above items concerning the assigned personnel shall apply both to employees directly employed by the subcontractor and to all other employees who, irrespective of legal basis, work for the subcontractor for the purposes of the contract with Prangl.

#### VIII. Subcontractor's business licence

The subcontractor warrants that it is entitled to provide the service it offers to Prangl in accordance with the Austrian Industrial Code (Gewerbeordnung) and all other statutory provisions that may be relevant. When specifically requested to do so in individual cases, the subcontractor shall be obliged to provide Prangl with evidence of the above.

#### IX. Insurance

- 1. Where the subcontractor gives Prangl responsibility for the use of machinery, in particular aerial work platforms, cranes or the like, it undertakes to obtain machinery breakdown insurance in it own name and for its own account for Prangl, in which case any recovery of insurance payments from Prangl must be limited to intentional acts and any excess must be clarified with Prangl in advance.
- 2. If the subcontractor provides crane or lifting services for Prangl, the subcontractor warrants that it is covered by valid business liability insurance, which provides coverage for material and financial losses of up to EUR 5 million (five million) per case of damage. This must be proven by presenting the insurance policy at Prangl's request. Should the insurance cover be for a lower amount, the subcontractor must state this before accepting the order and in each case clarify with Prangl whether or not the crane or lifting services are to be performed by the subcontractor despite the lower insurance cover.
- 3. If the subcontractor provides transport services for Prangl, the subcontractor guarantees that he/she is covered under its business liability insurance and/or transport insurance, which covers material and financial losses of up to EUR 5 million (five million) per claim. This must be proven by presenting the insurance policy at Prangl's request. Should the insurance cover be for a lower amount, the subcontractor must state this before accepting the order and in each case clarify with Prangl whether or not the transport is to be performed by the subcontractor despite the lower insurance cover. When taking out special transport insurance in individual cases, the subcontractor must make an express agreement with its insurer that the insurer shall waive any claim of underinsurance.

#### X. Billing

- 1. Invoicing for services rendered shall be based on delivery receipts or work time records confirmed by the relevant Prangl employees, which must be attached to the invoices. The respective Prangl order number must also be stated on the invoice.
- 2. Payment shall only become due when an invoice meeting all requirements of the Austrian VAT Act (UStG) 1994 and the order including these General Terms and Conditions of Purchase has been submitted.
- 3. Invoices for partial deliveries must be clearly marked as "partial invoices".
- 4. In the event that the subcontractor's services are to be regarded as partial or complete transfer of construction services within the meaning of Sec. 19a para 1a UStG 1994, the subcontractor acknowledges that its invoice, insofar as this is subject to Austrian tax and social insurance law, is only payable in full if the subcontractor is included in the complete list of companies exempt from liability (HFU complete list) at the time of payment for the work. Otherwise Prangl is entitled under the relevant statutory regulations (Sec. 67a para 3 of the Austrian General Social Security Act (ASVG) and Sec. 82a Austrian Income Tax Act (EStG)) to transfer the legally mandated share of the invoice amount to the authorities (Austrian Health Insurance Fund service centre) and to pay only the remaining amount to the subcontractor. If, in transnational cases, the governing legal system provides for comparable regulations, this provision shall apply as appropriate in such cases.
- 5. Claims by the subcontractor against Prangl may not be assigned to third parties (prohibition of assignment), unless Prangl agrees to their assignment in writing.
- 6. Prangl is entitled to offset its own claims against claims by the subcontractor. Conversely, the subcontractor is not entitled to offset its own claims against claims by Prangl.
- 7. The subcontractor is obliged to notify any changes of its company name, address or bank details to Prangl immediately in writing.

## XI. Payment

- 1. Unless otherwise agreed, payments shall be made after receipt of a proper invoice within 14 days at a 3 % discount, or 30 days net.
- 2. Prangl is entitled to withhold payment in whole or in part until defects in the service have been remedied.
- 3. Payments by Prangl do not constitute recognition of the services as being in accordance with the contract.

# XII. Order documentation

Any drawings, drafts and documents made available to the subcontractor by Prangl in the course of the contractual relationship remain the property of Prangl and may not be used elsewhere. They are to be returned to Prangl after the service has been rendered without request.

### XIII. Confidentiality

The subcontractor shall keep details of the transactions concluded with Prangl – such as prices, type and number of devices made available – secret, especially from Prangl's competitors.

# XIV. Partial invalidity

Should any provision of these General Terms and Conditions of Purchase be or become invalid, for any reason whatsoever, the validity of the remaining provisions shall not thereby be affected. In this case, the regulation that most closely corresponds to the original purpose from an economic point of view shall apply.

# XV. Applicable law, place of jurisdiction

Austrian law shall apply with the exception of the UN Convention on Contracts for the International Sale of Goods and the conflict of laws rules of private international law. It is hereby agreed that the competent commercial court in Vienna shall have exclusive jurisdiction to hear any disputes arising from or in connection with orders.