

Supplier's General Terms and Conditions

1. *General*

The following General Terms of Sale and Delivery apply to any form of sale by the Supplier unless the Supplier has expressly agreed otherwise in writing. No other terms of sale and delivery or any other terms in the Distributor's purchase order are valid, nor can they replace these General Terms of Sale and Delivery. In case of divergences between these General Terms of Sale and Delivery and the provisions of a sale and delivery agreement concluded between the Supplier and the Distributor, the provisions of such agreement will apply.

2. *Prices, times of delivery, etc.*

All price statements are binding for delivery at the time of delivery stated in the offer/order confirmation. Unless otherwise expressly stated, an offer is only open for eight days from the date of the offer. All prices are net ex works unless otherwise expressly stated. Any taxes and duties charged in the Distributor's country are payable by the Distributor. If the prices expressly include such taxes and duties, the Supplier may invoice the Distributor for any increases in such taxes and duties. The Supplier reserves the right to adjust prices in accordance with any substantial changes in taxes, duties, exchange rates and the like.

3. *Delivery*

Delivery will be made in accordance with INCOTERMS 2010.

The Supplier shall use its best endeavours to observe the time of delivery stated in the order confirmation. If delivery is expected to be delayed, the Supplier shall promptly notify the Distributor thereof. In case of a material delay attributable to the Supplier, the Distributor may rescind the contract.

Delivery will be made in accordance with the order confirmation.

The Supplier assumes no liability towards the Distributor and no responsibility for any form of loss, including in particular indirect loss and/or consequential damage, such as, but not limited to, loss of time, profits or income, third-party claims for damages, operating loss, etc., due to non-delivery or late delivery by the Supplier or due to defects in the goods.

4. *Retention of title*

4.1 The Supplier retains title to the goods delivered until all amounts due under the delivery agreement have been fully paid. This also applies to all future deliveries, even though the Supplier does not expressly invoke it. The Supplier is entitled to claim back the item sold if the Distributor breaches the agreement or fails to observe the agreed term of payment.

4.2 As long as title has not yet passed to the Distributor, the Distributor shall handle the item bought with due care. As long as title has not yet passed, the Distributor shall promptly notify the Supplier in writing if the article bought is levied in execution or it is otherwise subjected to third-party interference.

The Distributor shall be liable for all costs incurred by the Supplier due to such occurrences if a refund of such costs cannot be obtained from the third party.

4.3 The Distributor is entitled to resell the goods subject to retention of title in the ordinary course of its business. The Distributor already now assigns the accounts receivable from the acquirer in connection with resale of the goods subject to retention of title to the Supplier in an amount corresponding to the final invoice amount agreed with the Supplier (inclusive of VAT). Such assignment is valid irrespective of whether the item bought is resold without being processed or after processing. The Distributor remains

authorised to collect the accounts receivable also after the assignment. The Supplier's power to collect the accounts receivable itself is not affected thereby. However, the Supplier does not intend to collect the accounts receivable provided that the Distributor meets its payment obligations out of the proceeds earned and is not in arrears with payment, and in particular that no petition for institution of insolvency proceedings or suspension of payments has been filed.

4.4 The Distributor's working and processing or transformation of the item bought is made at all times in the Supplier's name and at his order. In such case, the Distributor's interest in the item bought is transferred to the transformed item.

If the item bought is processed together with other articles that do not belong to the Supplier, the Supplier acquires co-title to the new item at the same ratio that the objective value of the item bought bears to the other processed articles at the time of the processing. The same applies in case of mixing. If the mixing is performed in such a way that the Distributor's item must be considered the principal item, it is considered agreed that the Distributor assigns proportionate co-title to the Supplier and safeguards the sole title or co-title so arisen for the Supplier. As security for the Supplier's accounts receivable from the Distributor, the Distributor also assigns to the Supplier any accounts receivable by the Distributor from third parties arising out of connecting the goods subject to retention of title to real property; the Supplier accepts such assignment already now.

4.5 The Supplier undertakes, at the Distributor's request, to release the securities due to it if their value exceeds the accounts receivable to be secured by more than 20 per cent.

5. *Quality and quantity*

The Supplier warrants that the quality of the articles delivered corresponds to the specifications and/or the samples received and approved by the Distributor in advance and to the labels affixed by the Supplier. The Supplier warrants that the quantity delivered corresponds to the quantity/quantities stated in the invoice. Within 24 hours of receipt, the Distributor shall carefully inspect the articles delivered for defects and completeness and within fifteen (15) days of receipt the Distributor shall carefully inspect the articles delivered for defects by laboratory analysis or in any other usual and appropriate way. The Distributor shall promptly notify the Supplier of any defects and of any divergence between the articles delivered and the articles invoiced, and the Supplier shall remedy such divergence as soon as possible. The Distributor cannot rely on defects that should have been ascertained by a careful inspection after the said period of fifteen (15) days. In the event of hidden defects which could not have been detected by careful inspection, such fifteen (15) days period shall apply as from the date when such hidden defects have become apparent or have been detected, however, in no event later than six (6) months from the date of delivery.

6. *Product liability*

The Supplier is not liable to the Distributor for any consequential losses, loss of manpower hours, operating losses, damages, including fines and/or similar indirect losses for which the Distributor or a third party may become liable, or which they incur due to the articles delivered by the Supplier. If product liability is imposed on the Supplier towards a third party and the articles delivered have not been altered in any way, for example by processing, mixing, other packaging or labelling, the Supplier is liable for personal injury and damage attributable to production defects in the articles delivered and shall indemnify the Distributor for any claim on such basis. If the articles delivered by the Supplier have been altered, for example by processing, mixing, other packaging or labelling, by the Distributor or at its initiative, the Supplier is not liable for any damage to the altered articles or for any damage attributable to the altered articles, but only for damage demonstrably attributable to the articles delivered. If product liability is imposed on the Supplier towards a third party, the Distributor shall indemnify the Supplier to the extent that the Supplier's liability towards the Distributor is restricted by the preceding provisions. The Supplier must promptly be notified in writing of any claim by the Distributor based on this provision.

7. *Payment*

The Distributor's payments to the Supplier for deliveries must be made in accordance with the terms of payment stated in the order confirmation or in any other way agreed in writing between the Parties. In the event of late payment for deliveries, default interest will be charged at a rate of the applicable three-month EURIBOR plus eight (8) percentage points.

8. Force majeure

In the event of strike, lock-out, fire, explosion, acts of God, epidemics, labour unrest, energy or raw material shortages, operational failures of any kind, intervention by public authorities, seizures, currency restrictions, transport difficulties, restrictions affecting operating equipment, environmental protection measures or defective or delayed deliveries from sub-suppliers caused by one or more of the preceding events or any other event beyond the Supplier's control, the Supplier's obligations are postponed until it is again able to fulfil its obligations after the discontinuance of the hindrance. If one or more of the said events occur, the Supplier shall promptly notify the Distributor thereof in writing and shall use its best endeavours to reduce the effects of the event(s) in question. The Supplier is also entitled to rescind the contract, and the Distributor has no claim for damages on that basis.

9. Applicable law and disputes

Any dispute between the Parties shall be subject to Austrian law. The court having subject matter jurisdiction for Innsbruck/Austria shall have jurisdiction over all disputes arising between the Parties.

However, if the Distributor's registered office is not within the European Union (EU) or is not within a country that is member to the Lugano Convention (Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters), all disputes shall be finally settled in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed in accordance with the said Rules; the place of arbitration shall be Vienna; the language of arbitration shall be English.