



STANDARD TERMS AND CONDITIONS OF SUPPLY

A. Area of applicability

- 1) All supplies by our company are made exclusively on the basis of these terms and conditions. Any reference by the ordering party to its own terms and conditions of business is hereby rejected.
- 2) Austrian law applies exclusively to the entire contractual relationship. The applicability of the United Nations Convention dated 11 April 1980 on Contracts for the International Sale of Goods (CISG) is excluded.

B. Delivery

- 1) For the transportation of the goods ordered we engage a haulier and/or carrier on behalf of and at the expense of the ordering party. With regard to the choice of this person we are liable only for deliberate act or gross negligence.
- 2) The goods ordered are delivered at the ordering party's expense and risk. The risk passes to the ordering party with the delivery of the goods to the persons engaged to deliver them.
- 3) Euro pallets not exchanged will be charged to the ordering party at a price of € 12.50 per unit.

C. Force majeure and other hindrances

All events and other circumstances, the occurrence of which lies outside our control, such as natural phenomena, war, labour disputes, lack of raw materials and power, traffic or operational problems, damage caused by fire and explosions and impositions by higher authorities release us from our contractual duties for the duration of the hindrance. Nor in these cases are we obliged to procure the goods from third parties. If such occurrences last longer than three months, both we and the ordering party are entitled, with the exclusion of any compensation for loss, to withdraw from the contract with regard to the quantity to be delivered affected by the hindrance.

D. Reservation of title

- 1) We reserve title to all items delivered until full payment of the purchase price and the payment of all amounts due to us from our ongoing business relationship with the ordering party.
- 2) If goods subject to reservation of title are processed by the ordering party into a new movable item, the processing is deemed to be done on our behalf as the seller without any obligations upon us arising from this; the new item becomes our property. In the event of processing together with goods that do not belong to us, we obtain joint property in the new item in proportion to the value of the goods subject to reservation of title to the other goods at the time of the processing. If goods with reservation of title are combined, mixed or blended with goods that do not belong to us we become joint owner in accordance with the legal provisions. If by combination, mixing or blending the ordering party obtains sole ownership, the latter shall as of now transfer to us joint ownership in proportion to the value of the goods subject to reservation of title to the other goods at the time of the combination, mixing or blending. In such cases, the ordering party must safeguard the goods that are our property or our joint property free of charge.
- 3) By way of security the ordering party assigns in advance and as of now any receivables from the sale of goods in which we have ownership rights to the extent of our proportional ownership in the goods sold. In so far as we have obtained joint property in the event of processing, combination or mixing, the assignment shall be made in proportion to the value of the goods supplied by us subject to reservation of title to the value of the goods subject to third party rights of reservation of title.
- 4) The ordering party is entitled to dispose of the goods with reservation of title in its ordinary business operations and to collect the receivables assigned to us. These rights are extinguished as soon as the ordering party fails to meet its obligations arising from the business relationship with us, ceases payment and/or its assets deteriorate. If these conditions occur, we are entitled, subject to the exclusion of the right of retention, without having to set an extension period or to exercise the right of withdrawal, to demand the immediate

interim return of all the goods subject to reservation of title at the ordering party's expense.

- 5) Upon our request the ordering party must provide us with all necessary information about the stock of goods belonging to us and about the receivables assigned to us and it must also inform its customers of this assignment.
- 6) If the value of the securities exceeds the secured receivables by over 20% overall, upon the ordering party's request we are obliged to release securities of our choice to that extent.

E. Guarantee and compensation for losses

- 1) The ordering party is obliged to inspect the goods without delay upon receipt with regard to their completeness and as to whether they match the agreed product specification. Any defects evident upon delivery are to be noted in writing on the delivery note and bill of lading. Variations from the agreed product specification identifiable in the course of a goods inspection are to be reported to us in writing within a period of one week following receipt of the goods. Hidden defects are to be reported in writing within one week following their discovery. If the buyer does not correctly observe these duties with regard to complaints, claims for compensation under the guarantee are excluded. The buyer bears the entire burden of proof, in particular for the defect itself, the time of discovery and the timeliness of the complaint.
- 2) If the goods are defective and if the ordering party has reported this to us correctly in accordance with E. 1), the ordering party retains its statutory rights subject to the following conditions:
 - a) Initially we have the right as we see fit either to correct the defect or to supply the ordering party with an item free of defects.
 - b) We reserve the right to make two attempts to make good. If these attempts to make good fail or if they are unreasonable from the ordering party's point of view, the ordering party may either withdraw from the contract or reduce the purchase price.
 - c) With regard to claims by the ordering party for compensation for unsuccessful applications resulting from a defect, the rules in F below apply.
- 3) Claims by the ordering party for defects expire after one year following delivery of the goods. In the following cases, the statutory expiry periods apply instead of this one-year expiry period:
 - a) in the event of our liability resulting from deliberate act
 - b) in the event of malicious failure to mention the defect
 - c) for claims against us resulting from the defects in the goods if they have been used in the usual manner for a construction job and they have caused it to be defective
 - d) for claims arising from loss of life, physical injury or damage to health
 - e) for claims arising from other damage or losses resulting from breach of duty due to gross negligence or deliberate act.

F. Liability

In general, we are liable for damages according to statutory standards, however with the restrictions as follows:

In the event of ordinary negligent breach of major contractual duties, our liability is limited to compensation for typical and foreseeable loss or damage. In the event of ordinary negligent breach of minor contractual duties, our liability is excluded in total. Those limitations of liability do not apply in the events of loss of life, of physical injury or of damage to health.

G. Place of fulfilment and jurisdiction

- 1) The place of performance for our supplies and services is our relevant supply factory. Place of performance for payment of the purchase price is A-Graz.
- 2) Jurisdiction for all disputes arising out of and in connection with the supply business is with the courts of A-Graz.