

GENERAL TERMS OF

Sales and Delivery
 valid as of March 2003

A) Offer

The technical information we provide in our offers and include with our design/reference material will become effective once you have received our order confirmation. We reserve the right to make minor technical modifications (i.e. slightly differing dimensions), which will not affect the value, usefulness or service life of the design.

If you require another engineer of our company to attend a technical meeting for a set period of time, which will be in addition and beyond the normal contractually agreed hourly engineers' rates, you will be charged for these additional costs.

Additionally, you will be charged for any costs caused by work interruptions or downtimes (for which we cannot be held responsible), which require our workers/engineers to leave the site and to return to it later on.

All our drawings and design worksheets are protected by copyright. Using or copying these documents, their distribution, publication and presentation are subject to our express permission.

B) Prices

The price of the submitted quotation is based on current market prices (normal working hours), non-wage labour costs, and costs for transport and materials. In addition, this price also includes all costs for supervision, for profits and limited risks as well as for the safety precautions taken by our company (if they are not already listed in the invoice). It also includes the costs incurred for labelling/designating the delivered items, the installation plans as well as for loading them at our factory.

The price does not include VAT, packing the goods into cardboard boxes, boxes or crates, and extra costs for overtime, bonus payments for working on Sundays or public holidays nor for downtimes on the site. It also excludes the costs caused for changes that have to be made or which have been ordered to be made to any of our materials or products that have already been delivered to the site, i.e. during temporary storage, for the stacking of items or removing rust from items that are insufficiently protected against humidity on the site. The price also excludes any costs for unattributable damage during the installation phase, any office administration hours or the commissioning of an engineer as a result of changes that were decided on the site after permission to start the work had been given.

The price does not include the costs arising from loss on interest caused by late payments.

The prices of our quotations are based on the current market prices at that time. If any prices change before delivery has been made, these changes will be reflected in the Purchaser's invoice (either by cost increases or decreases).

C) Delivery period

We have agreed that the delivery period is defined as the time beginning when you have received our order confirmation provided and when it seems that all technical and commercial details have been clarified. Our company will immediately send you an order confirmation. If a first down payment has been agreed before delivery, the day when the money arrives shall be deemed as the first day of the delivery period. The quoted delivery times are given with the proviso that subcontractors fulfil their promised delivery times and on the assumption that no force majeure will pose an obstacle. We are entitled to partial deliveries or earlier deliveries. If the Purchaser decides to cancel delivery of goods, or fails to request the delivery or the acceptance of the goods, the delivery shall be effective from the moment the delivery of goods has been confirmed, entitling us to invoice him.

D) Liquidated damages

Liquidated damages due to a late delivery or faulty product quality, for which we may be solely responsible, must be agreed to in writing and expressly mentioned in our order confirmation.

E) Warranty

In the event of damage that can be clearly proven to have been caused by us, we shall be liable to payments only for the amount of the ordered goods and for any costs arising in connection with amending/repairing the delivered item, but not for any additional work that may be required to amend the faults. The fact that the warranty is used will not lead to an extension of this warranty. The goods delivered by us are movable goods, for which we grant a warranty period of 24 months.

Within the framework of our warranty, we shall amend all production or delivery faults either by doing the required repairs at your site ourselves or by sending you free replacement parts.

If a customer decides to amend the fault himself, our company will only pay these costs if we have agreed to do so in writing.

The extent of our warranty covers modifications or replacements of parts up to a maximum amount, totalling no more than the entire amount of the order. The period for lodging a complaint is 8 days. We would expect that the local construction authority will constantly supervise the installation work in order to inform our management about any possible complaints. We shall not be liable for the quality of modifications made to our products or any appertaining repair work, if the customer performs these changes himself or has a third party do it without prior permission granted by us. We shall not be held liable for any contingent claims by the customer, especially regarding any secondary damage (i.e. damage other than to the item delivered). For those parts of the delivered goods that we sourced from subcontractors, we shall only be liable to the extent provided in our own rightful warranty claims against the subcontractors.

F) Conditional sale (with reservation of ownership in favour of the seller until full payment of the purchase price).

We reserve the ownership of the goods we have supplied until payment of full purchase price has been made or until the bank draft or check has been fully redeemed including all the costs incurred and all interest accrued thereof. The Purchaser is entitled to process the goods within the framework of properly conducted business, however he is not allowed to pledge the goods or permit their seizure. In addition, he is obligated to inform us about any seizures or use of the goods by a third party. If the Vendor falls in arrears with his payments, we may ask him to return the goods to us without cancelling the contract. Our retention of title refers to the new goods obtained by combining our products with other products or by processing them. If the Purchaser sells the goods within the framework of a properly conducted business, the claims resulting from the sales shall be deemed as assigned to us. Upon our request, our customer is obligated to inform his customers about these claim assignments and to send us a proof of the assertion of these new assignments and all information and documents needed in connection with this.

G) Place of jurisdiction – place of performance

The legal venue for any disputes arising directly or indirectly from this contract shall be the court, which has "in-rem" jurisdiction in Klagenfurt. The Vendor however may also seek redress in another competent court, for example, the Purchaser's place of residence. The place of performance regarding deliveries and payments shall be Klagenfurt even if the exchange (of goods for money) takes place in another location as previously agreed.

H) Payment

We would ask you to pay as follows, which will properly reflect our calculation and prices best unless otherwise agreed in writing:

1. Agreed down payment

to be made net within 8 day upon receipt of order confirmation.

2. Partial payments

10 days upon presentation of one partial invoice, possibly after deducting a max of 5 % as a guarantee sum to cover any claims.

3. Final payment

Final net payment must be made within 30 days upon presentation of invoice, unless otherwise agreed in writing.

If a partial amount is subject to a disputed claim, please inform us within 15 days, the other part not subject to a claim must not be retained.

The Purchaser is not entitled to withhold payments on account of warranty claims or other counter-claims not recognised by ourselves. Any possible interest charged on drafts, fees or other expenses arising from payments not made in cash will be charged to the customer. Interest on arrears will be added to any unpaid balance on the customer's open account at 1.5% per month.