

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

I. Range of Application

1. Raytech VertriebsgmbH as well as its companies operating in the group, briefly referred to as "contractor", shall provide deliveries and services solely on the basis of the following terms and conditions.
2. Diverging conditions and agreements shall require the contractor's explicit written consent to be valid.
3. The contractor shall reserve the right to unilaterally change or revoke these conditions at any time and without giving reasons. Such change shall be pointed out to the client directly after entry into force of the new conditions. If a change is exclusively in favour of the client, the respective arrangements by the contractor shall apply already as of announcement of the change. If essential terms of the contract are changed, in the event of a continuing obligation the client shall be entitled, within four weeks of announcement of the change, to terminate the contract as per the date the change became effective. This extraordinary right of termination shall be excluded, unless the change is to the client's disadvantage or if charges are adjusted according to an agreed framework. The contract shall remain in existence if the contractor agrees within four weeks of receipt of the termination to refrain from the change vis-à-vis the client.

II. Offers, Cost Estimates

1. Cost estimates of the contractor shall be nonbinding unless otherwise explicitly agreed in writing. This shall also apply to drafts, plans, drawings or the preparation of technical documents.
2. The applicability of section 1170a para. 2 General Civil Code [ABGB] shall be excluded. Therefore, the contractor shall not be under the obligation to warn if the cost estimate is considerably exceeded. The additional services shall be paid for by the client according to the unit prices of the cost estimate or the customary prices.
3. Offers of the contractor shall be not binding. All orders and agreements shall be legally binding only if confirmed by the contractor by written declaration. The scope of the contractual obligation shall be based on the written acceptance of the order.
4. All products offered shall be subject to being unsold.

III. Prices and Payment Conditions

1. The prices shall apply Free Carrier ("FCA" pursuant to INCOTERMS 2010) exclusive of packaging and shipping costs, loading charges, additional charges from price changes (Item 4.) and plus value-added tax at the respective statutory rate.
2. Unless otherwise explicitly agreed, the prices shall apply in the respective legal currency of the Republic of Austria, net and without discount.
3. Receivables shall be paid to the contractor on the due date for payment stated in the invoice, for lack of the same within 30 days of the date of invoice, in the agreed currency free of charges without deduction by means of bank transfer. Upon payment within 14 days 2% cash discount shall be granted. However, taking advantage of separately agreed cash discounts generally requires that no payments of the client are outstanding. Payment shall be considered as having been made on the day on which the invoice amount is available to the contractor without loss. Any possible payment charges whatsoever shall be borne by the client.
4. The contractor shall be entitled to increase the price reasonably if changes occur in prices for raw or auxiliary materials, wages, salaries, charges, taxes, other rates or similar price-relevant features outside the contractor's control after submission of the offer.
5. Retention rights or other rights of the client to refuse performance shall be excluded.
6. Offset by the client against the contractor shall be possible only if the counterclaim has been established beyond dispute or with legal effect.
7. For orders below a net invoice value of € 180.-- overhead charges in the amount of € 20.-- will be charged.

IV. Right to Withdraw from a Contract, Right to Assign a Contract

1. In the event of delay in payment the contractor shall be entitled to charge reminder fees in the amount of € 40.--. In addition, default interest shall accrue at the rate charged by the banks to the contractor for current account credits, in any case, however, in the amount of 9.2 percentage points above the basic interest rate (section 456 Austrian Commercial Code) [Unternehmensgesetzbuch - UGB].
2. In the event of delay in payment the contractor shall be entitled to request prompt payment of all outstanding receivables from this transaction or others with immediate effect and to charge default interest for these amounts as from the respective due date.
- 3. Furthermore, in the event of delay in payment or if circumstances become known that raise reasonable doubts regarding the client's willingness and ability to pay, prior to performance the contractor shall be entitled to request at its option i) advance payment, ii) securities or iii) to withdraw from the contract in whole or in part and claim damages and/or iv) stop execution. In addition, the contractor can forbid sub-sale, continued use or processing of the goods delivered.
4. If the client withdraws from the contract or from parts thereof without stating reasons or for reasons beyond the contractor's control or prevents its execution, the client shall be obliged to pay, at first request, 80% of the net purchase contract amount plus value-added tax without deduction.
5. If performance cannot be effected - for whatever reasons - in the manner originally agreed, the contractor shall point out such fact to the client. If the client insists on performance in the manner originally agreed despite being warned by the contractor, the contractor shall be entitled at its option to either withdraw from the contract or effect performance in the original manner. In the event of withdrawal the contractor shall retain its claim for payment pursuant to section 1168 para. 1 ABGB.
6. The contractor shall be entitled to assign its claims from the business relationship with the client to third parties, also by way of overall assignment. Also, the client agrees that the contractor may assign the rights and obligations from the contractual relationship in whole or in part to third parties or may make use of third parties in effecting performance.
7. In the event of delay in payment or of insolvency proceedings in or out of court all discounts, rebates and bonuses granted shall become void and shall be charged back.

V. Delivery

1. The contractor shall be entitled to perform partial or advance deliveries and charge them separately. From the delay in partial deliveries the business partner shall not derive any rights with regard to the remaining partial deliveries.
2. Deliveries shall take place Free Carrier ("FCA" pursuant to INCOTERMS 2010) on the agreed day of provision of the products.
3. The term of delivery warranted by the contractor shall start (i) with the date of order confirmation or (ii) as soon as all documents or technical requirements necessary for execution of the order have been transmitted to the contractor and the client has also provided all required securities or down payments and has obtained any required permits from third parties, depending on whichever event occurs later.
4. Force majeure, shortage of raw materials and other circumstances beyond the contractor's control (e.g. delays in delivery by upstream suppliers) shall extend the agreed term of delivery by the duration of the event including a reasonable period for resumption of work. The contractor shall notify the client of the occurrence of such events or hindrances without undue delay.
5. Where execution is interrupted for more than three months or if continuation or resumption of performance becomes impossible for reasons beyond the contractor's control, the contractor shall be entitled to withdraw from the contract without granting a period of grace. In such case the contractor shall retain its claim for payment pursuant to section 1168 para. 1 ABGB.

VI. Packaging, Shipping and Passing of the Risk

1. The contractor shall choose packaging, carrier and mode of dispatch at best discretion and to the exclusion of any liability, unless otherwise explicitly agreed. At the client's written request its goods shall be insured against breakage, transport and fire damage against reasonable payment. The contractor shall not take back packaging.
2. The risk of accidental loss, accidental deterioration as well as the risk of carriage shall pass to the client upon delivery of the goods to the first carrier or any other person entrusted with carriage.

VII. Materials Supplied

1. If materials are supplied by the client, they shall be delivered at its cost and risk with a reasonable reserve in quantity, however, of at least 5%, in due time and according to the agreed specification.
2. If these requirements are not complied with, the delivery time shall be extended accordingly.

VIII. Confidentiality

1. Plans, sketches, technical explanations, design documents, models, instructions and descriptions provided by the contractor shall remain its intellectual property. Any exploitation, reproduction, distribution and publication by the client or third parties may take place only with the contractor's explicit consent. The client shall be obliged to immediately inform the contractor of reproductions, imitations or imitations by third parties of which it has obtained knowledge.
2. Information obtained in the course of the cooperation, which constitutes industrial and business secrets or know-how of the contractor, must neither be made accessible to third parties nor used by the client in any other way without the contractor's explicit written consent.
3. For each violation of these provisions the client shall pay a contractual penalty of € 150,000.-- per case, which shall not be subject to judicial moderation. The contractual penalty shall be immediately due for payment upon first written request.

IX. Retention of Title

1. All products delivered shall remain the contractor's property until the client has completely fulfilled its obligations (payment of the contract amount including incidental costs, interest, fees, charges, etc.).
2. Within the framework of its orderly conduct of affairs the client shall be permitted to sell, use or process the products and use them to perform a contract for work or a contract for manufacture and supply, observing these provisions. Other dispositions, in particular pledging or chattel mortgage, shall be prohibited.
3. Upon sub-sale the client shall be authorised to dispose of the products subject to retention of title only if it notifies the secondary buyer of the assignment for security at the same time as the sub-sale takes place and makes a note of such assignment in its records. If retention of title does not exist by law in the country where the product is located at the time of assertion, the client shall be obliged to provide the contractor with all rights that legislation stipulates in the contractor's country to secure the claims.
4. Already at that time the client shall assign to the contractor all claims in the amount of the invoice value of the products subject to retention of title, including value-added tax, which the client incurs from the sub-sale to a third party. The contractor shall accept this assignment.
5. As long as no cessation of payment exists and no petition for commencement of insolvency proceedings against the client's assets is filed, the client shall be entitled to collect the claims. If one of the above-mentioned cases occurs, the client shall be obliged to provide the contractor with all information required for collection of the assigned claims and hand over all corresponding documents to the contractor.
6. In the event of third-party interventions in the contractor's rights as party retaining title the client shall inform the contractor without delay and indemnify and hold the contractor harmless.

X. Warranty

1. The contractor shall exclusively warrant that the sold products comply with the agreed specification at the time of passing of the risk. For properties not covered by the written specification, for specific work and processing results, specific performance capability as well as the fitness of the products for a specific purpose no liability shall be assumed. Quantity deviations of +/- 10% shall be deemed approved by the client.
2. For intermediate services of third parties or the client the contractor shall not assume any warranty or liability.
3. For the design and the operability of the parts the client shall have sole responsibility, even if the client was advised during development, unless the contractor provides a corresponding written assurance.
4. For the sale of used items as well as for deliveries on trial and of samples the contractor shall not give any warranty.
5. The warranty period shall be 6 months as of deliver, unless mandatory law provides for longer periods. The proof of defectiveness at the time of delivery shall rest with the client.
6. The prerequisite for assertion of claims based on defects shall be a written notification of defects, which describes the defect in detail and shall be sent to the contractor within 14 days of delivery. The contractor shall be given the opportunity to inspect the alleged defective deliveries or services. Defective parts that have been replaced shall be sent back at the request of the contractor at its expense.
7. The contractor shall reimburse the costs of removal of defects carried out by the client itself only if the contractor has given its written consent therefor or if the contractor has unjustifiably refused substitute performance.
8. If a case of a claim under warranty occurs in the relationship of the client with its customer, recourse to the contractor as predecessor after expiry of the warranty period (section 933 b ABGB) shall be excluded.

XI. Liability

1. The contractor shall be liable for losses and consequential losses from defects only if they were intentionally caused by the contractor, its employees, representatives or assistants. Liability for slight and gross negligence shall be excluded as well as compensation for consequential losses, financial losses, lost profit, savings not achieved, interest loss as well as losses from third-party claims against the contractor's business partner.
2. The contractor's liability for damages in terms of amount for each event causing a loss shall be limited to the respective net order amount. If the total loss exceeds the maximum limit, the indemnity claims of the individual aggrieved parties shall be reduced proportionately. If the specific loss is covered by insurance and the insurer pays under this insurance, the contractor's liability shall be limited to the sum insured under the insurance. The client shall in any case stipulate such release from liability in contracts with its contractual partners for the contractor's benefit.
3. In other respects, the client shall expressly waive its right of recourse pursuant to section 12 Product Liability Act [PHG],
4. If contractual penalties are agreed, claims for damages beyond that shall be excluded in any case unless explicitly agreed.
5. The client undertakes to observe all warning notices, storage conditions, operating instructions or other product declarations, etc. (hereinafter "references") of the contractor. The client shall notify these references to its customers in writing in a complete version and as amended and shall assign them to its customers, failing which the client shall indemnify and hold the contractor harmless.

XII. Samples, Merchandise, Speciality Products, Proprietary Goods

1. Generally, samples shall be invoiced. Upon return within 4 weeks in saleable condition the products shall be credited. If the samples have been used, item XIII. shall apply.
2. Merchandise shall generally comprise all products not manufactured in our plant. With orders of speciality products it shall be noted that changes in design and quantity shall be possible only in writing and by agreement.
3. Ordered and custom-made products shall be subject to acceptance. Repeat orders cannot be based on the agreed price basis and shall be subject to the contractor's calculation options. All technical specifications in the contractor's trade papers shall be nonbinding, unless a technical data sheet provides the basis therefor.
4. For compliance with patent and licensing rights after passing of the risk the client shall be exclusively liable. This shall apply, in particular, to sub-sale, processing and export of the goods delivered by the contractor.

XIII. Returns of Goods

1. Returns or partial returns may be made, exclusively carriage free, only within 4 weeks of invoicing following a written complaint by the client and subject to the contractor's prior consent.
2. All costs of re-storage of the returned goods shall be deducted from the credited amount. This shall not apply in the event of justified withdrawal from the contract by the client; however, it shall apply to collection of products subject to retention of title in the case of insolvency.

XIV. Place of Performance, Jurisdiction, Applicable Law

1. Place of performance for deliveries and services shall be Vienna, Austria, i.e. also if delivery is agreed to be effected in a different place.
2. All legal relationships as well as these General Terms and Conditions of Sale and Delivery shall be exclusively subject to Austrian substantive law, excluding the principles of the conflict of laws. Application of the UN Convention on Contracts for the International Sale of Goods of 11.04.1980 shall be excluded.
3. For all disputes arising from or in connection with the business relationship the court having subject-matter jurisdiction in Vienna, Austria, shall have jurisdiction. However, the contractor shall also be entitled to assert its claims in the court having subject-matter jurisdiction at the client's seat.

XV. Miscellaneous

1. Written declarations are deemed received if they are sent to the client's last stated address.
2. Should individual provisions of the contract or conditions be ineffective, this shall not affect the effectiveness of the remaining provisions. The ineffective provision shall be replaced by a valid provision that most closely reflects the desired purpose.
3. Unless otherwise explicitly agreed, the INCOTERMS of the International Chamber of Commerce in Paris, as last amended, shall apply to the interpretation of the trade terms used.
4. Collateral agreements, changes and amendments to the respective contract shall require the contractor's written confirmation to be effective. Departure from the formal requirements provided in these terms shall require an explicit written agreement.
5. If deviations or contradictions are identified between a German version and a foreign-language version of these terms, the normative contents of the German version shall exclusively prevail. Also, the German version shall be sole standard of interpretation of the legal relations between the contractual parties.