

GENERAL TERMS AND CONDITIONS OF PURCHASE
ECON GmbH

Biergasse 9, 4616 Weißkirchen

1. Key conditions

All orders and purchase transactions of **ECON GmbH**, Biergasse 9, A-4616 Weißkirchen, Austria (hereafter referred to as ECON) are carried out exclusively subject to these General Terms and Conditions of Purchase, as amended, (hereinafter referred to as the GTCP). Execution of the order shall be deemed as acceptance of our terms of purchase.

Contractual terms which conflict with these GTCP, in particular commercial terms of the contractor (hereinafter referred to as CON), are hereby expressly excluded.

Deviations from the GTCP require the prior written consent of ECON in order to be legally effective in each case.

2. Order and conclusion of contract

Orders by ECON must be made in writing to be legally valid in each case (including fax and email). Verbal or telephone orders or agreements are only binding for ECON if they are confirmed subsequently in writing by ECON. If the written order deviates from the request or non-binding announcement of an order, the written order will be deemed accepted by the CON unless it communicates its rejection in writing within one week. The CON's silence with respect to an order of ECON is considered as an acceptance of the order after a one-week period.

Offers of the CON are, in the absence of a written specification, binding for a period of at least four weeks from receipt by ECON.

3. Prices

Prices are "DDP according to Incoterms, in their current version" and are fixed prices, which are not subject to increases. The accuracy of the CON's cost estimates is deemed guaranteed.

4. Powers

The CON guarantees it will satisfy all the conditions that are required to execute the order, in particular, but not exclusively, sufficiently and professionally trained personnel, technical equipment, industrial property rights, expertise, etc.

The CON furthermore ensures it possesses all

the regulatory and other licences, permits, authorisations and/or approvals required to execute the order, whether they are under public or private law.

5. Delivery

The agreed delivery date must be adhered to; advance or partial deliveries require the approval of ECON. Excess deliveries that go beyond the ordered quantity may remain at the discretion of ECON or be returned at the expense and risk of the CON. ECON must be notified immediately of any foreseeable delivery delays.

If the CON is late providing a delivery or correction, ECON is – regardless of any additional claim, such as for performance, compensation, etc. – entitled to withdraw from the contract, setting a reasonable grace period. If the grace period cannot be calculated shorter in individual cases due to the operational requirements or contractual obligations of ECON with respect to third parties, it shall not exceed 14 calendar days.

In each case, ECON is entitled to the supply of the goods delivered late at the expense of the CON as well as to claim any other damage. The delivery period begins on the date the order is placed. The CON is responsible for the deliveries and services of its suppliers as well as for its own delivery and service; the CON's suppliers are regarded as its vicarious agents.

Delivery is made "DDP according to Incoterms 2000" to the destination specified by ECON in the order. If, in exceptional cases, different delivery conditions are agreed in writing, the transport instructions given by ECON are mandatory.

Goods are shipped in packaging that is suitable to protect them from damage caused by stresses such as are customary for the selected transport. ECON is not charged for packaging costs.

Each consignment must be accompanied by a delivery note containing the order number and the item numbers of ECON. If a consignment consists of several packages, each must be provided with the order data of ECON and a packing slip. ECON is entitled to refuse to accept a delivery without the appropriate delivery documents.

6. Place of performance

The headquarters of ECON in A4616 Weißkirchen is agreed upon as the place of performance for all obligations resulting from the business relationship or, deviating from that, the receiving station as stipulated by ECON.

7. Payment

Invoices are due for payment only after complete delivery and proper accounting, even if partial deliveries are accepted. Similarly, the discount period only begins upon complete delivery and proper accounting.

Notwithstanding deviating written agreements in individual cases, invoices addressed to ECON are due for payment within 30 days of receipt of the invoice after complete delivery and proper accounting; for payment of a partial invoice or the final or total invoice within 14 days, the CON grants a 3% discount. Payments are, in any case, considered to be made on the date ECON's account is debited. When sending cheques, payment is considered to have been made one working day after ECON dispatches the cheque.

For deliveries before the agreed date of delivery, payment and the discount period only begin from the start of delivery date specified in the order.

8. Prohibition of assignment/offsetting

The CON is not entitled to offset against claims of ECON with any counter-claims that it should ever have against ECON as a result of any title, unless ECON has recognised the claim of the CON in writing or it has been established in court.

The CON is not entitled to assign its claims concerning ECON to third parties or to otherwise use them for the benefit of third parties. Assignments made contrary to this prohibition and other dispositions are invalid without the express written consent of ECON.

9. Warranty and guarantee

Information about features, quality or intended purpose of the goods or service ordered are considered guaranteed by the CON within the sense of an express warranty. In addition, the CON guarantees that the ordered goods and services are of superior quality and are fully functional, free of rights or claims of third parties, especially those based on industrial or other

intellectual property.

The warranty and the guarantee period is, except for any deviating written agreements, 24 months from acceptance of the goods by ECON. The applicability of § 377 of the Austrian Commercial Code (UGB) is excluded by mutual agreement. The CON is therefore not entitled to raise objections concerning notification of defects which are incomplete, delayed or not properly formed. If ECON contests a defect within the warranty period then it is presumed to have existed at the time of delivery to ECON, by derogation of the presumption rule of § 924 of the Austrian Civil Code (ABGB). In the case of an extra judicial notification of a defect within the warranty period, ECON is entitled to enforce the guarantee and/or warranty claim as a result of the defects notified up to six months after expiration of the warranty period. Claims for damages by ECON are subject to statutory limitation periods.

In the event of liability, without prejudice to other legal options, including in the case of remediable deficiencies, ECON has the right to request as it chooses the free replacement, change, free removal of the defect or a reasonable price reduction, or to have the good repaired at the expense of the CON.

Any travelling time, inspections and transportation shall be borne by the CON. If full corrective action is required, the guarantee and warranty period starts again on that date, including for the original defect-free parts supplied (service).

Several CON are liable with respect to ECON jointly and severally.

The liability of ECON as well as of third parties working on behalf of ECON is excluded for slight negligence in any case; this is also true in the context of the duty to avert, minimise or mitigate loss.

10. (Product) liability

In the event that a claim is asserted against ECON on the basis of product liability or otherwise due to defects or damages, the CON is obliged to release ECON of such claims if the damage was caused by a flaw in the subject of the contract supplied by the CON or by a breach of the CON or its vicarious agents. Provided the cause of the damage is the responsibility of the CON, the CON will bear the burden of proving that it was neither the cause of, nor was it at fault for, the damage.

11. Withdrawal from the contract

ECON is not only entitled to withdraw from the contract without specifying a reason in the case of contracts for work and services, but also for all other contracts at any time. In the case of such a contract withdrawal by ECON and the subsequent reverse transaction, the CON is entitled, provided the goods have already been prepared on the basis of an order in accordance with the individual wishes and requirements of ECON, to remuneration of the cost price proven in detail against delivery of the processed parts, where it is not possible to put them to another use. Any further claims of the CON, in particular any compensation whatsoever, are excluded.

12. Right of retention

Retention and performance rights of the CON are excluded, unless mandatory statutory provisions provide otherwise. In the event of a defective delivery or delay by the CON, ECON is entitled to retain its performance under the contract until the services have been fully rendered, even if an advance by ECON was expressly agreed.

13. Commercial rights and copyright

All rights of ECON to copyrighted or otherwise protectable works, such as drawings, plans and designs, of whatever kind, expertise, samples, patents, etc., are expressly reserved. Such works, documents, expertise, designs, patents, etc., may neither be made accessible or passed to third parties without the written consent of ECON in each individual case, nor be used by the CON for its own purposes. In case of doubt, such approval is deemed not granted.

14. Severability

Should any provision of this contract be or become invalid, the validity of the remaining provisions shall remain unaffected. The invalid provision shall be replaced by a valid provision that comes as close as possible to the objective pursued.

15. Jurisdiction and applicable law

The competent court at the headquarters of ECON, 4616 Weißkirchen, has exclusive jurisdiction for the decision of all disputes arising from this contract – including over its existence or non-existence.

The contract is subject to Austrian substantive law of the United Nations Convention on Contracts for

the International Sale of Goods.

16. Additional conditions for work due to materials, tools, samples, and/or other items which are supplied by ECON

All equipment, materials, tools, samples and/or other items provided by ECON to the CON or on their instruction to third parties remain the sole property of ECON; any related limited disposal of the property of ECON is prohibited. The CON is required to ensure the property of ECON is made clear to third parties by any means. The CON is obliged to handle such provided equipment, materials, tools, samples and/or other items with care and to store them carefully.

The contractor is obliged to immediately on request of ECON, without prejudice to other rights, surrender any transferred equipment, materials, tools, samples and/or any other objects including the work pieces made by the CON: this applies particularly, but not exclusively, if insolvency proceedings are initiated with respect to the CON or are not opened due to a lack of assets or if ECON, for whatever reason, declares the cancellation of the contract. Retention and performance rights of the CON are excluded unless mandatory statutory provisions provide otherwise.

The CON shall inform ECON immediately in writing of all events affecting the property of ECON, particularly, but not exclusively, garnishment, seizure, claims by third parties, etc. The CON shall also take, at its own risk and expense, any actions, whether in or out of court, which are necessary to avoid interference with property rights.

At the request of ECON, ECON must be provided the first piece for verification purposes, especially for review prior to acquisition.