

AEROCOMPACT®

GENERAL TERMS AND CONDITIONS

1. General statements

1.1. Unless otherwise agreed and confirmed by AEROCOMPACT® in writing, deliveries and services shall exclusively be based on the following terms and conditions, even if they are not expressly mentioned in the course of face-to-face or telephone negotiations. The applicability of the purchaser's purchasing conditions shall be excluded. They shall not be binding, even if we do not object to them again upon conclusion of a contract. The present terms and conditions of sale and delivery are considered accepted upon acceptance of the articles, at the latest.

1.2. Deviations from the present terms and conditions shall only be effective, if they were agreed upon expressly and in writing by the contracting parties.

2. Offer

2.1. Our offers and price lists shall be subject to change. We reserve the right to carry out technical changes and/or further technical development of the machinery. Figures, drawings and specifications with view to weight, dimension, performance and consumption constitute approximate information. All technical documents shall remain the intellectual property of AEROCOMPACT®; they may not be reproduced or placed at the disposal of third parties without the express consent of AEROCOMPACT®.

2.2. Public statements made by the deliverer, the producer, or an otherwise involved third party, especially in advertisements and information delivered together with the article, shall only become subject of the contract, if they are included in the offer in writing, or if they are expressly referred to in the offer.

3. Prices

Unless otherwise agreed in writing, the prices are net prices ex works or ex warehouse, exclusive of packaging, shipping, assembly, insurance, and turnover tax. The prices shall only be orientation prices. If, between the conclusion of the contract and the performance of the service, for any reason, increases in material costs or circumstances which are beyond the reasonable control of AEROCOMPACT® arise and result in additional services and/or additional costs, the respective prices will be increased accordingly, unless the period between placing the order and delivery/service performance amounts to no more than four months.

4. Ordering

4.1. We only consider contracts and agreements, including those that are concluded by our sales representatives, as binding after they have been confirmed by us in writing. The same holds true for oral additional agreements as well as for subsequent contract changes.

4.2. The purchaser shall be bound by its order until receiving from us a declaration of acceptance or rejection in writing, or until we execute the order is tacitly, which will only be done in individual cases. Orders which have been placed with us may not be withdrawn.

5. Period for performance

5.1. Delivery periods are always non-binding. In case of an agreed change of contract, AEROCOM-

PACT® shall be entitled to fix a new delivery date. AEROCOMPACT® shall not be held liable for delays in delivery which were caused unintentionally or negligently. In such a case, the purchaser waives its right to cancel the purchase and to claim damages. In the case of a delay in service performance or interruptions caused by the purchaser, all additional accumulating costs caused by the delay or the interruption shall be borne by the purchaser, and AEROCOMPACT® may make payable its services and expenses in partial invoices.

5.2. Agreements concerning a binding period for delivery and assembly shall be made in writing. The clarification of all business-related and technical questions between the customer and AEROCOMPACT® and the fulfilment of all obligations on behalf of the customer, such as procuring the necessary official permits and making advance payments, constitute a prerequisite for the obligation on the part of AEROCOMPACT® to execute delivery and assembly in due time. If the purchaser gets into arrears with fulfilling its obligations, or if we have reason to believe that the purchaser will not fulfil its obligations in due time and orderly in the future, we shall be entitled to immediately stop our deliveries without giving rise to damage claims. We shall have the right to make payable all invoices which have not yet been settled at that point in time.

5.3. The delivery date shall be considered as kept by AEROCOMPACT®, if the product has left the factory by the expiry of the delivery period, or if AEROCOMPACT® has notified the customer that the product is ready for dispatch. In cases where the product has to be accepted by the customer, the deadline for acceptance shall be authoritative; this shall not hold true in the case of a justified refusal of acceptance. If the customer has been notified that articles are ready for dispatch, but does not immediately order their delivery, said articles may be stored at the purchaser's expense and risk and we may invoice them as delivered.

5.4. If AEROCOMPACT® cannot be held responsible for a delay, for example in the case of energy shortages, import problems, interruptions of operation and transport, strikes, force majeure, or delays on the part of our suppliers, the period for performance shall be reasonably extended. If AEROCOMPACT® is not able to deliver after the expiry of the reasonably extended period, both the customer and AEROCOMPACT® shall be entitled to rescind from the contract. Damage claims on the part of the customer shall be excluded.

5.5. If AEROCOMPACT® is responsible for the delay, the customer may, in compliance with the relevant legal provisions and after expiry of a reasonable period of grace, rescind from the contract. Compensation for delayed deliveries or damage resulting therefrom shall be excluded.

6. Payment

6.1. Unless otherwise agreed, the articles are only delivered cash on delivery (against reimbursement of costs) or against advance payment of the net invoice amount without discounts. Cheques and exchange bills are only accepted after the conclusion of a special agreement and only as conditional, not as actual, payment. Collection and discount charges shall be borne by the purchaser.

AEROCOMPACT® may refuse payments via cheques or exchange bills without indicating reasons. Setting off counterclaims and retaining payments for any reason on the part of the purchaser shall be inadmissible, unless there is an express agreement to this extent. Payments shall be made, with debt-discharging effect, to one of our accounts or to a person explicitly charged with collecting power. Unless other terms of payment for the rectification of the purchase price were agreed upon, turnover tax shall be paid for the overall price after accounting. After expiry of the period for payment, in case of default of acceptance, and in case of default of payment, AEROCOMPACT® shall be entitled to charge default interests of eight percent above the base interest rate (§ 352 UGB (Austrian Business Code) § 288 BGB (Austrian Civil Code)). In default cases, costs for dunning, intervention and lawyers shall be compensated by the purchaser. If the purchaser asserts warranty claims against the producer, it shall still not be entitled to retain agreed payments.

6.2. For sales, which according to item 12.2 of the present GTCs are subject to Austrian law, § 1416 ABGB (Austrian Civil Code) shall not apply in case it was agreed to invoice them via current account. Payments on behalf of the purchaser may, according to the choice of AEROCOMPACT®, be deducted from any of the purchaser's trade payables.

7. Default of payment

If the purchaser has been in default of a payment covered by the contract or part of it for more than fourteen days, AEROCOMPACT® shall be entitled to make the overall remaining purchase price (remaining invoiced amount) immediately payable. Moreover, the overall remaining payables shall immediately fall due for payment, if unsuccessful execution or related measures is/are carried out in respect of the purchaser's property, or if the purchaser's reliability and creditworthiness decrease due to other reasons. In the case of default of payment, AEROCOMPACT® shall be entitled to rescind from the contract.

8. Terms of delivery and acceptance/Exchange/Reverse transactions

8.1. The purchaser shall inspect and accept the articles immediately after receiving them at the agreed place of acceptance, or shall have them inspected and accepted by an authorized person. If the purchaser expressly or implicitly waives its right of inspection, the object of purchase shall be considered duly delivered and accepted. Shipping shall always be carried out at the purchaser's expense and risk, also in case of prepaid freight. By handing over the articles ordered by the purchaser to the carrier (post, railways, air, ship, or forwarding agent), the contractual obligations on the part of AEROCOMPACT® shall be considered fulfilled and the risk shall be passed to the purchaser. AEROCOMPACT® shall be entitled to choose the way of shipping, which shall be authorised by the purchaser in advance, unless the purchaser demands a particular way of shipping in time and in writing.

8.2. The exchange of articles or the reversal of transactions in spite of the contract's orderly execution by AEROCOMPACT® shall only be possible with the consent of AEROCOMPACT®. In any case, the purchaser shall pay the overall purchase price inclu-

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sive of a reimbursement of all expenses (shipping etc.) or – according to AEROCOMPACT®'s choice – a lump sum covering the regularly expectable costs, but at least fifteen percent of the order value. The articles shall be sent back to AEROCOMPACT® in undamaged condition, complete with the original packing. The exchange of articles which were delivered more than three months ago shall be excluded. The exchange of special articles (which are not stock articles) shall be excluded in any case.

9. Retention of title

9.1. AEROCOMPACT® retains the title to the articles delivered by AEROCOMPACT® until all payables resulting from the business relation have been paid. These articles may only be transferred to a third party in the normal course of business if the purchaser is not in default of payment.

9.2. In case of the transfer of articles to a third party, the following provisions shall apply:

- The purchaser shall assign all claims resulting from said transfer to AEROCOMPACT® when concluding the contract and shall be obliged to make an orderly note thereof in its accounts.
- Upon request of AEROCOMPACT®, the purchaser shall be obliged to notify the third party of the assignment of the relevant claims to AEROCOMPACT®, and to provide AEROCOMPACT® with all documents and information necessary for asserting the assigned claims.
- If articles subject to retention of title or the claims assigned to AEROCOMPACT® are attached, AEROCOMPACT® shall be notified thereof and informed of the requirements necessary for asserting or enforcing its claims.

9.3. If, according to item 12.2 of the GTCs, the sale is subject to Austrian law, securities for a debt according to § 1170 b ABGB (Austrian Civil Code) shall be claimed from the purchaser in time and shall be pledged to AEROCOMPACT® (as security) with a separate declaration.

9.4. The purchaser shall no longer have the right to sell articles subject to retention of title in the orderly course of business, if the purchaser has been in default of a complete due payment or a due part payment, or a significant part thereof, for more than ten days, and a reasonable payment period granted by AEROCOMPACT® has expired. The purchaser shall further no longer be authorized to sell articles subject to retention of title in the case of suspension of payments, or if opening insolvency proceedings on the purchaser's property is requested. In this case, the purchaser shall be obliged to return the articles subject to retention of title to AEROCOMPACT® after AEROCOMPACT®'s first request. If the return of articles subject to retention of title is requested, this shall not constitute a rescission from the contract.

9.5. The pledge and assignment of articles subject to retention of title as security, or other forms of disposal of the assigned claims shall be inadmissible.

9.6. The securities which, according to the present terms and conditions, to which AEROCOMPACT® is entitled, will only be released by AEROCOMPACT®, according to its own choice, insofar as their

value, taking into account the value added for the purchaser, exceeds the claims to be secured by ten percent.

9.7. AEROCOMPACT® shall immediately be notified of pledges and other attachments by third parties and informed of the identity of the attaching creditor.

9.8. As soon as the purchaser ceases the payments, it shall immediately send to AEROCOMPACT® a list of the articles subject to retention of title as well as a list of the claims against third party debtors and credit notes.

10. Warranty

10.1. Every delivery shall be immediately inspected. Any damage shall be reported to the carrier in writing.

10.2. The allowable variations according to DIN standards shall apply to the agreed dimensions. Over- and under delivery shall be accepted by the purchaser up to an amount of ten percent of the ordered amount.

10.3. Notices of defects may only be placed in writing or by fax or e-mail within fourteen days after the acceptance of the article. Rejected parts shall be immediately returned to us at our request. If the purchaser does not place any notice of defects, or if the article is processed by the purchaser, the article shall be deemed as accepted without reservation.

10.4. For those parts of an article which we, in our turn, have purchased, we shall only be liable in the framework of our warranty claims against the respective supplier.

10.5. If we acknowledge that the complaint of a defect is justified, it shall be at our discretion whether we take back the article at the calculated price, or remedy the defect, or deliver a replacement after return of the article. The remedy of a defect by the purchaser will only be compensated by AEROCOMPACT®, if we have agreed to that beforehand.

10.6. Damage claims which could arise due to an article delivered with defects shall be excluded by common consent, if the defects were not caused intentionally or by gross negligence on the part of the seller or its agents. Especially, the compensation of consequential damage which can affect other assets or the property of the purchaser and is due to a defect of the delivered article shall be excluded. According to § 9 of the Austrian Product Liability Act, the liability for damage caused to property by the product defect shall be excluded explicitly. Other claims, as far as they are legally admissible, shall also be excluded. This holds especially true for claims for the compensation of accumulated processing costs, lost profit, or losses on behalf of the purchaser. This shall also apply to business deals complying with § 1 subparagraph 1 of the Austrian Consumer Protection Act.

10.7. Placing a notice of defects shall not release the purchaser from its obligation to pay, nor entitle the purchaser to reject further deliveries which are part of this or another order.

10.8. In the case of changes to and/or improper handling or processing of the delivered article, notices of defects will not be accepted.

10.9. If the delivered article is manufactured by AEROCOMPACT® according to the purchaser's construction specifications, drawings, or models, we shall only be liable for the fact that the article is manufactured according to the purchaser's specifications, but not for the correctness of the construction.

11. Transfer of the purchaser's company/Protest If the purchaser's company is transferred to a third party, AEROCOMPACT®, in advance, expresses its objection to an (automatic) takeover of the contractual relationship by the transferee; special agreements shall be reached in the case of such a takeover (written form provision).

12. Place of performance and jurisdiction

12.1. The seat of AEROCOMPACT® shall be the place of performance for both parties.

12.2. All disputes arising directly or indirectly from the contract concluded with AEROCOMPACT®, including disputes relating to the lawfulness of the development of the contractual relationship, shall be subject to the jurisdiction of the respective court competent in Feldkirch.

12.3. All contractual relationships shall be subject to Austrian law with the exception of the uniform UN sales law (UNCITRAL) and private international law.

12.4. If individual provisions of the GTCs are completely or partly invalid, this shall not affect the validity of the contract or the remaining GTCs. The invalid clause shall be replaced by a provision which, taking into account the intention of both parties, comes closest to the sense and purpose of the invalid provision.

13. Place of performance, choice of law, and jurisdiction

13.1. For both partners, the seat of the company in Feldkirch, Austria, shall be the place of performance for business deals with AEROCOMPACT®. The applicable GTCs may be found at www.aerocompact.com.

14. Cancellation fee

The cancellation fee can be charged for the following reasons:

- the customer canceled only after the installation team was already on the way to the construction site.
- the installation cannot be carried out because the order was either incomplete or incompletely filled out.
- the installation cannot be carried out because the preparatory work at the site is insufficient.

15. Returns

We can accept returns of products in new condition only if a copy of the invoice is enclosed. In general, 1 cancellation fee worth 25% is retained. Any special orders or defective protects cannot be returned!