

General Terms and Conditions of »Kraftwerk Living Technologies GmbH«

This is a translation for information only from the original German language document which remains the legally binding document.

I. Validity

The supply, services and quotes from our company take place exclusively on the basis of these terms and conditions; we do not acknowledge opposing terms and conditions of our customers or variations to our terms and conditions even if we do not contradict any changes expressly. Other conditions are valid only if they are confirmed by us specifically in writing. **These terms and conditions are also to be regarded as the framework agreement for all further business legalities between the contract partners.**

II. Sealing of Contracts

All offers and price lists are not binding and are subject to change. Contracts are sealed only through our written confirmation of the order or delivery or shipment of the wares. All other changes to the contract, including revisions or additional agreements are only effective following our written confirmation. Our employees are not authorized to give legally binding clarifications to the contract in our name, unless special authority is given.

III. Prices

All prices given by us are, unless expressly otherwise confirmed, exclusive of tax. We reserve the right to increase our prices due to the following factors: general alterations to our labour costs on the basis of collective contractual obligations, legal regulations or internal business requirements, additional costs relating to the contract regarding financial services or bookkeeping and increases to our material costs such as energy, transportation, working abroad, financial conditions, etc. These changes do not confer a right on the customer to cancel or discontinue the contract because of frustration of contract. Overall prices, unless agreed in writing, do not include additional expenses. Costs for packaging, shipping, customs and other delivery services will be separately invoiced.

IV. Delivery

A delivery deadline promised by us does not become effective until clarification of all of the technical and commercial details of the job. Promised delivery dates will be adhered to where possible, but they are not binding. Delays to deliveries entitle the customer neither to cancel the contract nor to demand compensation under any guarantee, collateral costs or other damage compensation claim. We retain the right to invoice for partial or pre-deliveries. Major disruptions, superior force and other events outside of our influence, in particular delayed delivery due to problems with our suppliers, are excluded from any guarantee, collateral costs or other damage compensation claims and entitle us to extend any time limits or to cancel any contract or part of contract because of inability to fulfill. This clause is valid even if these events occur when we are already behind schedule. Unless previously agreed, the buyer takes the risk for any changes to the price or performance from the moment of notification of readiness to ship from us or at the latest the dispatch of goods from our stores (or in the case of direct delivery, from the stores of our suppliers) and this clause remains valid even if we are providing additional services such as project managing the installation. In the case that transport ready goods cannot be dispatched through no fault of our own, we retain the discretion to store the goods at the buyer's risk and expense whereby the delivery is considered as fulfilled. Wels/Austria has to be regarded as place of performance of the contract whatever the eventual delivery address or agreed dispatched point for the calculation of general transport costs.

V. Payment Terms, Delay, Cancelled Cheques, Foreign Deliveries

Our invoices and intermediate invoices are due three days after the issue date without any discounts or other reductions. Money transfers or cheques are only accepted by special agreement. We reserve the right to cover our additional costs if payments are not met after repeated requests to pay. **For legal purposes, Wels/Austria is to be regarded as the payment address irrespective of any other payment arrangement.**

If the customer defaults on payment, we are released from any further performance duties and delivery obligations and entitled to withhold any outstanding deliveries or services as well as to demand payment in advance and other payment guarantees. Furthermore, the customer is required, irrespective of any other debt commitments, to pay interest of 1% above the current bank rate on the outstanding amount per month. In addition, the customer must compensate us for the reminder and collection costs, in particular any additional charges arising from the use of a collection agency. For every reminder that we need to issue, the customer will be charged EUR 10,90.

In the case that after the start of a contract, a deterioration in the financial circumstances of the customer becomes apparent which decreases the customer's credit worthiness, all outstanding payments become immediately due. Further deliveries would only take place in this case against prepayment.

The halting or any deduction from any payments from the customer on the basis of any counter claims is not permitted.

Export business customers are to cover the necessary export, import, customs and other approval costs at their own expense. We give no assurance or guarantee for the import admissibility of the bought merchandise. Furthermore, the customer is required to send to us all relevant original export and customs documents, otherwise value added tax may become due. Export deliveries carry in addition the requirement to open an irrevocable document handling account with a bank of our choosing to permit the presentation of the shipping documents or forwarding certificates prerequisite for our delivery.

VI. Property Rights

The merchandise remains our property up until the payment of all of our invoices irrespective of any other legal or business claims. This clause also applies to running invoices so that all of the merchandise acts as security for the final bill. The enacting of this proviso will not be regarded as grounds for withdrawing from a contract and does not free the customer from other contractual duties such as further payments. During this reservation of ownership rights any sale, pledge or use of the property as collateral for a third party is not permitted.

Should our property nevertheless be sold or transferred by the customer, then the customer assigns his claims against his client in advance and must pay our outstanding charges. The customer is duty bound to inform us of the name and address of the subsequent buyer or buyers, the timetable and volume of the resale and to inform the buyer of our property right.

Furthermore, the customer is committed to record any the assignment of the claim in the books in an open way. We are entitled at anytime to inform the buyer of our right.

The customer must inform us instantly of a seizure or any other impairment of our property right through the actions of a third party. The customer is duty bound to pay the expense of any measures required to return our property to us, especially the charges of any intervention proceedings.

Should the customer not comply with their obligations or repayment plan, then the entire remaining balance becomes due, including those charges scheduled for later repayment. In this case, we are also entitled to demand the surrender of all of our property back to us irrespective of any other call on the property and under exclusion of the right of retention. After surrender of the purchased property, it remains in our discretion either to sell the purchased items and to credit the customer's debt minus 20% resale charges or to deduct the value of the items from the remaining debt minus depreciation and a rental fee calculated on our standard charges for the time the items remained with the customer.

VII. Guarantee, compensation, product liability

Customer complaints about defects must be made directly after reception of the delivery and at the latest in writing within three days, however a complaint does not entitle the customer to withhold payment or part payments. **Dissenting to law the guarantee period is one year** from delivery and can be neither extended nor interrupted by attempts to rectify any complaint, this is also valid for part-deliveries. **The customer has the duty to prove any damage or malfunction of the merchandise when accepting any goods.** This duty is also valid within the first six months after delivery. The guarantee expires immediately if without our written consent the customer or a person empowered by the customer carries out any alterations or repairs to the delivered goods. In the case of any complaint, the customer first has the duty to accept the goods, to unload them carefully and to appropriately store them.

Any liability for consequential damages is not included in any compensation claim. We can only offer guarantees on goods that we purchase from a third party supplier equivalent to the guarantees that the sub-contractors themselves offer. We offer guarantees on products delivered by us equivalent to the usual standard guarantees and qualities on these types of product. Any extensions to these standard guarantees and qualities, for example during special advertising campaigns or in the accompanying product documentation [also in those of the manufacturer] will only become valid if specifically written into our offer document. Our guarantee applies to the functional ability of our systems, spare parts and appliances and does not apply to their appearance. The standard guarantee applies to any defective parts without exception, but does not cover the work, the travel expenses and/or the costs of transport required to rectify the fault. In case of justified customer complaints we are entitled to choose between [repeated] correction or exchange. After that we can choose between reduction in price or redhibition.

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We take on no liability for damage for any appliances which we service or clean or accept for any other purpose from a customer or persons empowered by him excluding those cases where the customer can prove that we are guilty of gross negligence or lack of intention.

It remains our choice to meet guarantee claims through exchange, improved or alternative products or to offer money back.

The assignment of guarantees and compensation rights is not permitted. If goods are resold by the customer, **then our guarantee is no longer valid and the consumer right contained in Paragraph 933b of the ABGB will be excluded.** Within the framework of damages inflicted on the customer's business due to our own gross negligence, we are liable only up to the total value of the contract, except for personal damages for which we are liable for slight negligence. **The statutory period of limitation for raising compensation for damage is three instead of one year.**

Instructions that are given in brochures, manuals or other product information are to be strictly followed by the customer in order to avoid damages. Operating or using the goods outside of their designed application area is expressly to be avoided. We do not take on any liability for damages to health through loud sounds, laser radiation or stroboscope flashes as well as the use of fragrance or fog units that are supplied by us.

Demands for compensation under Paragraph 12 of the Product Liability legislation will not be accepted.

VIII. Installation

The groundwork required for any installation is to be carried out by the customer in time, so that the installation can proceed immediately after arrival of the installation personnel without any postponement due to lack of preparation from the customer, otherwise we are entitled to delay the start of installation and to invoice the customer with the concurrent costs. The customer carries the duty to ensure that any delivered goods, frameworks and installations are protected from water, dust, dirt and any other unfavourable influences and that they can be suitably stored. In addition, the customer will at their own expense and risk provide any technical support necessary for the fulfilment of the contract as well as any required site services essential for the installation and operation of the merchandise, including heavy equipment such as fork lift trucks, cranes, hoists, scaffolding and any other assembly tools not normally found in a standard hand tool set as well as providing sufficient heating, illumination, power and other services including the necessary connections.

The customer must provide at their own expense and risk any interrelated works not

included in the contract that are required for a successful installation (for example locksmiths, labourers, etc).

If an installation takes place on the basis of a customer's own specification [construction plans, drawings, models, etc] then we are not liable for the correctness of the construction and we carry only the duty to ensure that the installation follows the specification laid down by the customer. We expressly exclude any duty to warn the customer nor are we indebted to check any documents with a third party. The customer also indemnifies us from any complaint or damages concerning any injury of any rights of any third party.

All records [construction plans, drawings, models, etc] which we generate for the customer remain our intellectual property and require our express consent to be passed on to a third party or to be published.

The customer agrees that we can use any products generated by us for them for advertising or demonstration purposes.

The customer is committed after a successful delivery or installation, including part deliveries and subassemblies, to accept the installation promptly after communication of the approval and to sign the acceptance paperwork – if need be by stating any reservations – otherwise the acceptance of the installation as problem-free will be assumed.

IX. Contract cancellation

With any failure of the customer to complete a contract or because of any other important reason, in particular due to bankruptcy of the customer or rejection of insolvency for lack of fortune as well as in case of default of payment of the customer then we are entitled to withdraw from any contractual obligations irrespective of any claims or damages.

X. Legal disputes, Jurisdiction

In the framework of our contractual relationship including the handling, completion or any dispute, then the customer agrees to the application of Austrian law. The application of UN purchase rights and any other comparable international agreement is excluded. The inapplicability of any single term or condition does not invalidate the remaining terms and conditions. If a regulation becomes ineffective the contract partners have a duty to agree on an alternative regulation whose purpose is closest to the ineffective regulation. Place of Jurisdiction will be Wels/Austria but we are entitled however to independently select other courts if we so choose and if another point of jurisdiction is given. The contract language is German.

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