

**Standard Terms and Conditions for Customers of WESTTECH Mechanical Engineering Limited Company, Ltd.**

**1. General Information, Writing Requirement:** WESTTECH mechanical engineering limited company, Ltd – in the following shortly referred to as WESTTECH – works with its customers/clients – in the following called trade partners – exclusively on the basis of these standard terms and conditions. The standard terms and conditions form an essential part of every contract concluded by WESTTECH. The trade partner hereby confirms that he has received and read the terms and conditions and states his absolute agreement. Except from the agreements recorded in this document, no other arrangements have been made between the trading partners, unless they have been explicitly written down. Oral alterations or modifications, additional agreements, or confirmations are only valid if they are confirmed in writing by organs of the company's register that are authorized to represent the company. Any conditions of the trade partner that do not comply with the present general terms and conditions are invalid, unless they are changed consensually and in compliance with the writing requirement (see above). The following terms and conditions keep valid for future business dealings, even if they are not explicitly agreed upon again. However, WESTTECH Company reserves for itself the right, to alter the conditions for services. In this case WESTTECH will advert the alteration at the latest when within the framework of a business relation a further contract is concluded, or when further services are rendered within the framework of an existing contractual relationship. The new terms will then be transmitted on demand. These terms and conditions are deemed to be accepted when a new contract has been concluded or further services have been accepted.

**2. Offer and Conclusion of Contract:** Offers of WESTTECH company are without engagement and non-binding, especially regarding prices, terms of delivery, deadlines and, should the needs arise, availability and supplementary work. Scale and content of the services that have to be rendered are exclusively specified with the confirmation of order by WESTTECH company; the present terms are valid complementary. Information on services and products of WESTTECH company displayed in catalogues, price lists, folders, company information leaflets, brochures, advertisements, on booths, in newsletters, commercials or in other media are non-binding, unless they have explicitly been declared subject matter of contract and recorded in writing. Cost estimates of WESTTECH company are generally without liability for completeness and correctness. Deviations from documents or from the confirmation of order, contingent on the consideration of stringent legal or technical norms, excepted. Declarations regarding the conclusion of a contract and additional agreements with employees and representatives of WESTTECH company, who are not registered as authorized representatives of the company, are only binding for WESTTECH, if these persons hold the power of attorney and are executing orders of WESTTECH company. It is incumbent upon the trade partner, to ask WESTTECH company about employees' power of attorney and their orders. In case of failure to perform this obligation the trade partner must not rely on employees' or representatives' statements concerning their own power of attorney and their orders.

**3. Charges, Terms of Payment, Effects of Arrears:** a) Pricing: The prices given in the contract are generally in euros. If prices are given in any other (foreign) currency, payment can be made in euros anyway, unless it has been explicitly required to pay in a different currency. Conversion of currencies takes place according to the current rate of exchange (that is valid at the time of payment). All prices are net prices and exclusive of Value-added tax (VAT), unless another arrangement has been made and explicitly written down. In addition, prices are plus costs for storing, packing, transport, loading and consignment, as well as for customs and insurances. Wrapping is only taken back if a formal agreement has been reached. Deliveries and services are priced according to the list price that is valid at the time the services are rendered, unless fixed prices have been formally agreed upon. WESTTECH company may demand higher charges than the ones that have been originally arranged when the order was placed, if the basics of calculation, such as raw material prices, the exchange rate or payroll costs, have changed after the conclusion of contract. If an order work has to be executed urgently (either because of its nature or because of a trade partner's demand) additional costs, e.g. for working overtime, will be charged. Charges that are invoiced periodically, such as for services or maintenance, are to be paid once a year, at the beginning of the calendar year. If a contract is concluded or terminates somewhere during a year the charges are proportional. Periodical charges are stable in value. The consumer price index 1996 serves as unit of value, the basis being the month, when the periodical charge has been stipulated. If the consumer price index 1996 is no longer stated the consecutive index, the consecutive index, or the one that is most correlating, takes its position. Furthermore, WESTTECH company is entitled to adapt periodical charges according to the regulations mentioned above, if the basis of calculation has changed. For debt freeing effects and for effects of delay (regarding periodical charges), the other rules of this part of the contract are valid. Expenditures that are connected to services of WESTTECH company, and which are charged periodically, such as fares, daily allowances and costs for overnight stays, will be charged separately and have to be paid entirely by the trade partner. Travelling time is regarded as working time in this context. All stipulated discounts or allowances cease to apply in the case of insolvency proceedings regarding the assets of WESTTECH company. WESTTECH reserves the right to charge services which are not owed by contract but have been demanded by the trade partner, according to the valid and appropriate costs. This applies especially to services, that become necessary because of inadequate cooperation of the trade partner, or that are caused by employment of services and programmes not provided by WESTTECH company. Possible trainings and instructions for the right usage of WESTTECH products are only made if they have been formally agreed upon and are chargeable.

b) Maturity, Payment Obligations Unless any other stipulations have been made, half of the charges/buying price is payable on receipt of the confirmation of order and the rest falls due at delivery, when the goods are held ready, and after receipt of invoice. All purchase prices are due free of charge and tax-free. In case of deterioration of a trade partner's financial circumstances, WESTTECH company is authorized, to make charges or buying price payable immediately, and to execute orders only when advance payments are made. Payments to WESTTECH company are only debt-freeing, if the money is transferred to the bank account given on the invoice or paid in cash to an organ that is authorized to represent WESTTECH according to trade law. No other people are debt collectors, unless they can prove to fulfill one of the formal requirements concerning financial authorization under point 1.). Receipt of payment has taken place the day WESTTECH company receives the payment. In case of bank transfer it is the booking date of WESTTECH company's bank. Bills of exchange or cheques are only accepted with the explicit reservation that WESTTECH really receives the payment. All fees, costs and dues that are connected to the payment have to be defrayed by the trade partner. The bare issuing of own or external bills of exchange is not acknowledged as payment and entitles not for possible discounts. Objections to a non-fulfilled contract and withholding of payment by the trade partner because of claims for damage and warranty are ruled out, regardless of whether they are justified or not. Maturity of payment is not deferred because of such claims. If discounts were agreed upon, the time limit for the discount starts running when the invoice has been forwarded by WESTTECH company. The stipulated charges are payable according to rules described above, no matter which discounts have been agreed upon. Claims for warranty or counterclaims do not interrupt or stop time limits for discount. Fixed discounts which are not paid within the time limit prescribed (or not fully paid) get non-representational. WESTTECH company is (despite possible other declarations of dedication) authorized to use received payment to settle any obligations which are payable in its estimation, consequently also for reminder fees resulting from the prosecution of its claims, for expenses, for inquiries into residence, for interest or interest for delay and only then for payment of the main thing. In case of default, the trade partner is legally obliged to completely refund all reminder fees, costs and cash payments that are connected to the settlement of outstanding debts. WESTTECH's headquarters (principal office) has been fixed as the place of performance for the trade partner's payment.

c) Effects of Arrears: On default of payment the trade partner has to pay 1% interest on arrears per month for the overdue amount, a formal notification for this is not required. Interests payable on arrears are due immediately. In addition, the trade partner is obliged to refund WESTTECH all costs caused by arrears, such as expenditures for caveats, attempts to collect debts, warehouse charges and possible lawyer's fees (judicial or extra-judicial). On default of payment by the trade partner, WESTTECH company is, without prejudice to any rights, authorized to stop their services and/or to prolong delivery periods adequately, to set the maturity date immediately for outstanding debts arisen from this or other transactions and to pick up already supplied goods, without freeing the trade partner of any of his duties. Only in case of explicit declarations by WESTTECH, they withdraw from such acts. If payment is made by instalment, deadlines have to be fixed and met. If just one single instalment is not paid in time, the outstanding payment is due immediately and completely. If deadlines are not met, interests for late payment are invoiced according to the rules mentioned above.

**4. Obligations of a Trade Partner:** When installations are made by members of WESTTECH company, the trade partner is obliged to make all necessary arrangements so that the employees can start working immediately after their arrival. The trade partner is responsible for arranging the necessary technical prerequisites for the work that has to be done and for the purchased object are given, and has to make sure that the technical installations, such as supply pipes, cable networks and suchlike are in a technically faultless condition, ready for operation, and compatible with the objects or purchased goods that are to be fabricated by WESTTECH. WESTTECH company is entitled but not obliged to examine these installations for additional charges. There is neither any obligation for WESTTECH to check documents, given tasks or instructions by the trade partner, nor to make warnings or explanations and there is no legal liability for WESTTECH regarding these issues. The orders are given independently of possible necessary governmental permits and authorizations that have to be obtained by the trade partner.

**5. Prohibition of Set-offs and Cessions:** The trade partner is not entitled, to set his claims off against WESTTECH's claims. Further, the trade partner may only cede rights from the contractual relationship with WESTTECH (in particular claims for warranty and compensation) to a third party, if there is an explicit approval which complies with the formal requirement under point 1.).

**6. Security Rights:** a) Reservation of Proprietary Rights: All goods remain property of WESTTECH company until the stipulated price (including all fees and charges) is fully paid. This applies for the time after the delivery as well. As long as there are any open claims from contracts between WESTTECH and the trade partner, the trade partner must not sell, let, lend or mortgage any goods, give them away or take them abroad, unless they have the consent of WESTTECH company. The reservation of proprietary rights remains valid even in the case that third parties acquire rights for the goods in good faith. Until the outstanding debts are fully paid, WESTTECH has the right, to check the existence and the condition of the goods at any time. Should a third party impound the goods, the trade partner has the duty to inform WESTTECH immediately by sending a registered letter. The record of the distraint, as well as the statutory declaration of the fact that the impounded good are identical with the goods consigned by WESTTECH and have not been paid for yet, are to be enclosed in the letter. In case of bankruptcy or balancing, the trade partner is obliged to inform WESTTECH immediately and to withdraw all articles and claims that are under reservation of their proprietary rights. Costs for any interventions have to be defrayed by the trade partner. Distraint of goods, consigned under reservation of proprietary rights on behalf of WESTTECH, is not a relinquishment from reservation of proprietary rights. WESTTECH company is authorized to sell goods that have been taken back to third parties, without having to check the adequacy of the selling price. The proceeds from the disposal of the taken back goods are to be subtracted from the original asking price. The resulting sum plus taxes and all costs that are related to the enforcement of the reservation of proprietary rights, have to be refunded to WESTTECH or to be passed to account together with already paid amount by the trade partner.

b) Security Cessions

The trade partner has to cede all claims that arise from disposals, processing, mixing, utilization or usage of products delivered by WESTTECH to WESTTECH for levy. In case of other claims for damages, the trade partner commits himself to document all his payments in his books and invoices until all are charges are paid off completely and according to the rules under point 3.) and to point them out to his debtors. He has to make available all documents and information that are necessary for the enforcement of his ceded claims and demands to the contractor, on request.

c) Liens:

To secure their claims in this and other legal transactions with the trade partner, WESTTECH company has the right to retain products and goods until all open claims are settled. In addition, WESTTECH is authorized, to retain products which were given to WESTTECH for adaptation or manipulation, in order to secure their claims from this and other business relations with the trade partner, until all open claims in the business relation are settled. The trade partner is obliged to agree with the objects' utilization by WESTTECH, in case of failure to meet his obligations. WESTTECH company is authorized to use the receipts from the utilization to settle active debts from this and other business relations with the trade partner, under analogous application of regulations given in 3.b) concerning deletion orders.

d) Bank Guarantees, Securities, etc.: If bank guarantees, declarations of security ship or other securities are fixed in order to guarantee the claims of WESTTECH, the trade partner has to verify them in writing before orders are accepted. If WESTTECH company accepts the order without verification they are authorized not to render their services until evidence is offered. Inception and run of the terms of delivery are according to the rules under point 7.), concerning the inception of terms of delivery for security services.

**7. Terms of Delivery, Purchase, Default of Acceptance:**

Any time limits that have been set by WESTTECH, especially delivery dates, are only obligatory, if they have been confirmed officially and in writing. Any alterations to original orders – for whatever reasons – result in a cancellations of fixed dates or time limits, unless other arrangements have been made. Time limits and performance- deadlines are prolonged or postponed accordingly, in case of acts of God or in case of hindrances, such as breakdowns, sovereign measures or interventions, difficulties with energy supply, loss of a hardy

replaceable supplier, strikes, hindrances in traffic routes, delay in customs clearance, etc., which influence delivery or service. Unless other arrangements have been made, the delivery period starts at the earliest on the date of the confirmation of order, on the date of compliance of all technical, commercial or other conditions that are incumbent upon the trade partner, or on the date when WESTTECH company receives an arranged deposit or surety. Of those three mentioned dates, the one that occurs latest is the one that determines the onset of the delivery period. The trade partner has to accept WESTTECH's services, as soon as WESTTECH demonstrates readiness for delivery and for provision of services. The trade partner is not obliged to reject acceptance because of minor deviations. If the trade partner defaults in acceptance of orders WESTTECH is – after having set an additional respite of max. 14 days – obliged to retreat from the contract and/or to claim damages because of non-fulfillment. If the trade partner does not accept services that have been agreed upon, even though WESTTECH is ready for the provision of their services, he must pay all stipulated charges, or a congruous part. In addition, WESTTECH company is authorized, to retreat from the concrete contract and/or to claim damages for non-fulfillment. WESTTECH company is authorized, to make short deliveries or preliminary deliveries and to charge them. If a delivery was arranged to be ready on call (request) the service or the purchased object are regarded as requested six months after the order, at the latest. In case of transference of the company, the firm, or parts of WESTTECH company and resulting transference of the concrete contract to another person, solitary liability of WESTTECH is excluded according to § 1409 of Austria's civil law code (ABGB) for contractual liabilities.

**8. Risk Liability and Consignment:** The trade partner takes the risk, as soon as in the firm accepting the order holds the buying object ready in the plant or in the store, regardless of whether WESTTECH has handed over the goods to a carrier or a removal man. Consignment, loading and unloading, as well as transport are always at the trade partner's risk. The trade partner permits every kind of appropriate consignment. Transport (cargo) is only insured, if the trade partner has ordered this in writing. In case of consignment WESTTECH company is authorized to collect the money for packing and dispatch, as well as the charges, or the purchase price from the trade partner (who has to pay on delivery), if the trade partner's financial circumstances get worse or if an arranged limit for a credit is exceeded. For all obligations WESTTECH's plant (head office) is the place where the contract is to be fulfilled.

**9. Guarantee, Liability, Penalty for Breach of Contract:** WESTTECH company gives guarantee according to the following regulations: a) The guarantee for movable and immovable objects is limited in time for 6 months, starting with the risk transition according to the terms and conditions given in this document. b) Within the time limit mentioned above, there is a guarantee for defects that were already there at the handover/delivery. Evidence for this has to be offered by the trade partner. c) The trade partner has to document defects in writing immediately after he has received the goods or after services have been rendered, and describe the defects and possible causes in detail; otherwise he loses his claim for damages and warranty. Notice of defects has to be given on WESTTECH company's plant. After the consignment/handover, complaints can be no longer accepted. Should the need arise, the trade partner has to engage experts to examine the goods before the handover takes place – at his own costs. In case of non-compliance, later complaints, claiming that defects were not recognizable, are not accepted. Additional claims for warranty are ruled out. In addition, claims for damages or warranties are ruled out, if technical installations that have to be supplied by the trade partner himself (or by people acting on his behalf), such as supply pipes, cables, networks or things alike, are not in a technically faultless condition and ready to operate, or if they are not compatible with products that were purchased from or that are to be manufactured by WESTTECH. Further, claims for damages or warranties are unacceptable: if defects were caused by incorrect usage or over-use; if legally issued operating and installing instructions by WESTTECH were not followed; if the delivery item was made according to instructions of the trade partner and those instructions or the outlines/drafts caused the defect; if the assembly, installation or commissioning was done incorrectly by the trade partner or a third party; if there are natural abrasions or damages in transit; if a product is stored improperly; if operating conditions are causing functional disorders (e.g. inadequate power supply); if there were any chemical, electrochemical or electrical influences; if products are not maintained properly, or if services are done badly. WESTTECH company is authorized to make (or order) any investigations, which are regarded as necessary, even if the goods or work pieces might get unusable as a result. If those investigations prove that the examined defects were not caused by WESTTECH, the trade partner has to accept the costs for the investigation. If goods or services are made according to information, drawings, schemes, models or other specifications from the trade partner, WESTTECH can only guarantee for workmanship according to the conditions. If the trade partner tampers with purchased objects or goods or makes any changes without having obtained written authorization by WESTTECH, WESTTECH's warranties and their duty to pay for compensation lapse. If secondary claims for warranty are asserted WESTTECH is authorized to avert requests for conversions through entitlement for price reduction, unless major and non-recoverable defects are involved. All costs that are related to the correction of faults, such as charges for transport, loading, unloading or travelling costs are at the expense of the trade partner. On WESTTECH's request, the trade partner has to provide the necessary workforce free of charge. In case of warranty, the item or part in question gets replaced, or, if applicable, repaired. WESTTECH company is only liable for defects within the framework of guarantee given by the suppliers. Spent costs for wages, removals, installations, dispatch or transport are excluded from warranty. The trade partner must not claim reimbursement of costs from WESTTECH for self-made corrections of faults, unless this was explicitly agreed upon by WESTTECH before the correction of faults. Corrections of defects by WESTTECH company do not affect the time limit of the warranty. Corrections or attempts to improve items do not extend the originally stipulated time limit of six months, starting with the date of delivery. The trade partner is not entitled, to claim reimbursement of costs from WESTTECH for self-made corrections of faults, unless he has written permission by WESTTECH. WESTTECH company is not legally liable for detriments to the trade partner, such as delay, impossibility, bad implementation, non-contractual liability, or for any other legal justification, unless damages were made on purpose or caused by gross negligence. The trade partner bears the burden of proof for: damage occurrence, the extent of damage, causality, illegality and fault. Exclusion of liability/warranty applies particularly to claims for compensation of: consequential damages, indirect defects, lost profit, loss of interest, other actual losses, losses arising from discontinuities/interruptions of work, loss of data, breach of the obligation to protect third parties and third parties' demands from the trade partner. In case of engagement of a third party, the trade partner must keep WESTTECH free from complaints and damages. WESTTECH's liability is in any case limited according to amount – the maximum being the stipulated charge or the purchase price of the regarding order. Contracts are only accepted with the provision of this limitation of liability. Additional liability of the firm accepting the order is explicitly ruled out. If the total damage exceeds the asset ceiling all aggrieved parties' claims for compensation decrease proportionally. The client has to inform WESTTECH company immediately about detected faults of goods or objects; otherwise all rights for claims are lost. Claims for compensation must always be asserted within six months after the handover of the goods as soon as damages are recognizable, otherwise all rights for compensation expire. The obligation to document defects in writing immediately after receipt of goods or services and to describe defects and possible causes (mentioned under 9.c) remains valid unaffectedly. The trade partner can claim improvements or replacement of objects/goods as compensation; only if both is impossible, or if it would cause disproportional expenses for WESTTECH company, the trade partner can demand financial substitutions. In case of failure to comply with necessary conditions for assembly, implementing and usage or with the magisterial admission requirements, liability is excluded in general. The trade partner is obliged to make sure that every user sticks to the operating instructions for the supplied goods and objects. It is important for the trade partner to train his employees and other people who work with the supplied goods and instruct them accordingly. The obligation to pay compensation for material damage (according to the law of product liability), as well as entitlement for product liability deriving from other regulations, are excluded as far as this is legally possible. The trade partner has the duty to enjoy the non-warranty clause for product liability claims on his contracting parties. A client's claims for compensation (recourse) from the firm accepting the order according to the law of product liability is ruled out. The client has to insure himself adequately against claims for product liability and keep the firm accepting the order free of damages and complaints (regarding this). If a penalty for breach of contract has been agreed on the enforcement of a higher claim for damages (according to amount) is not possible. Instead of a penalty for breach of contract, WESTTECH company is authorized to pay for minor damages.

**10. Withdrawal, Cancellation of a Contract, Penalty for Non-Performance:** In case of default, WESTTECH company is entitled to withdraw from a contract without granting additional respite. WESTTECH is then authorized, to bill all their services that were made before the cancellation of the contract and to make the charges payable. The regulations under 3.b) concerning maturity and compliance to financial duties have to be applied in analogy. The regulations in this subsection are also applicable to cancellations of a contract due to bankruptcy of WESTTECH, if the mutual obligations are not fulfilled (or not completely fulfilled) and the liquidator does not enter into the contract according to § 21 KO. In case of bankruptcy of the trade partner, the contractual relationship automatically comes to an end. Though in this case, WESTTECH is authorized to offer the maintenance of the contract. If the fulfillment of a contract gets impossible due to reasons that are not caused by WESTTECH the company is free of its services. In addition, WESTTECH company is authorized to withdraw from a contract, if they get to know about certain circumstances (after the contract has already been validated) which raise doubts about the trade partner's fulfillment of the contract. In case of such withdrawals, the trade partner is not entitled to any claims and has no rights. The trade partner renounces to contest/adjust this contract because of mistakes.

**11. Business Trade Mark Rights:** The trade partner is responsible to make sure that trade mark rights of third parties are not interfered with by designs, drafts, models or other specifications that are handed over for production. In case of failure to comply with trade mark rights, the trade partner has to keep off losses and complaints from WESTTECH. Software, schemes, draft versions, cost estimates and other technical documentation, which can also be part of an offer, as well as samples, catalogues, brochures, maps, and suchlike, remain WESTTECH company's intellectual property at any time. All form of utilization, duplication, reproduction, spreading or issuance to third parties, publication or presentation is forbidden, except the trade partner has WESTTECH's explicit approval.

**12. Software:** If software elements or computer programs are part of the service or purchase, WESTTECH company grants the trade partner the right of use (which is non-transferable and not exclusive) on the stipulated site, provided that contractual conditions and documents (e.g. operating instructions) are complied with. The trade partner must not duplicate or reproduce software, change it, make it available to third parties, or use it for any other purpose that the ones that were explicitly agreed upon, without having received WESTTECH's explicit and written permission beforehand, otherwise he loses all claims. This applies especially to the source-code. Regarding the software, there is only the guarantee that the software matches the specifications stipulated at the completion of the contract, provided that the software is used according to the installation demands/regulations and suitable for the respective operating condition. WESTTECH company cannot guarantee a completely faultless condition of the software, or a continuous or faultless functioning of the software. The possibility of mistakes cannot be ruled out. The trade partner has to provide the hardware that is necessary for using the software, unless it is included in the scope of service (according to the contract). WESTTECH company does neither promise warranty, nor is the company liable when the software does not work because of lacking hardware requirements, which (should) have been provided by the trade partner according to the regulations. The trade partner has to choose from and specify the software provided by WESTTECH and to make sure that they are compatible with the technical conditions on site. The trade partner is responsible for the use of the software and the resulting outcomes. For software which has to be made individually, the customer requirement specification (which has to be agreed on by the contracting parties in writing) alone prescribes: capability characteristics, special functions, necessary prerequisites for hard- and software, requirements for installation, operating conditions and handling of the software. Information that is necessary for the making of individual software is to be provided by the trade partner before the completion of the contract.

**13. Secrecy, Data Protection:** Trade partners are obliged to keep trade- and business secrets to them and to use them only for the legitimate completions of tasks, not for their own advantages or for those of third parties. The same applies to other confidential information or matters of third parties, which are confided or become known in connection with the fulfillment of orders. The obligation for confidentiality does not regard information that is already known/familiar, or information that becomes known outside the contract. Further legal obligations to maintain secrecy are unaffected. Such obligations for secrecy remain valid even after the completion of a contract.

**14. General Final Clauses:** Singular ineffective terms and conditions of the contract do not influence the validity of the other clauses. The trade partner has to replace ineffective ones by rules that come as close as possible to the economic interest and the legal purpose of the ineffective terms and conditions. The trade partner has to notify WESTTECH company immediately and in writing about important changes, such as any alterations to his name, the company, his address or his legal form. Place of performance for both contracting parties is the principal office of WESTTECH company. The contracting parties agree to apply the Austrian law (with the exception of the UN-law of purchase) to all lawsuits of this contract, and to accept the exclusive jurisdiction of the court that is responsible for WESTTECH headquarters.