

GENERAL TERMS OF BUSINESS

Version: 01.01.2014

I. Validity

These general Terms of Business (hereinafter referred to as ToB) apply to all agreements and deliveries of Theurl Leimholzbau GmbH (hereinafter referred to as THEURL).

Any business conditions used by the contracting partner are binding for THEURL only if confirmed in writing by THEURL. In this eventuality the contracting partner's business conditions will apply solely to those transactions for which THEURL has issued express confirmation.

Any oral or tacit supplementary agreements at variance with these ToB are null and void.

Should the contracting partner not submit an objection to the ToB within 6 days of fax transmission of same or within 14 days of final letter (date of postage), he shall be deemed to have declared his full acceptance of the conditions.

Should the contracting partner in his counter-confirmation make changes to the ToB of THEURL, the latter reserves the right to regard the agreement as confirmed or partially or totally cancelled.

Should parts of the agreement reached be inapplicable or invalid, the remaining contract provisions are not affected.

II. Loading and Delivery

Covering the goods is only by special arrangement and chargeable to the buyer.

Loading material, markings and special packaging will be charged at current prices. THEURL reserves the right to deliver up to 10% more or less of the agreed amount and to deliver and charge in instalments. The buyer is obliged to accept part delivery from THEURL and effect part payment.

Shipment and transport of the goods ordered are at the buyer's risk. Insurance for the goods is by special agreement only and is chargeable to the buyer.

In the event of a delivery delay that is beyond the control of THEURL, the delivery time is deemed to have been met when the goods have been declared ready for shipment.

When an 'on call' delivery is not claimed by the buyer within the stated time, THEURL reserves the right, after a written reminder, to charge the price ex factory for the delivery at the end of the stated period or to partially or wholly pull out of the contract. The buyer is obliged to compensate THEURL for any damages arising from deliveries not claimed by the arranged date.

In the event of war, unrest, strike, fire, violent storms or force majeure which THEURL can neither prevent nor foresee and which have an essential influence on the transaction, THEURL has the right to postpone delivery without prior notice or, if the problem lasts longer than 3 months, pull out of the contract with respect to the non-fulfilled part.

Should circumstances arise that give grounds to doubt the creditworthiness of the buyer, THEURL is entitled to demand acceptance of goods and payment prior to shipment. Should payment be necessary before the arranged date, 1% interest per month will be refunded. In the event of such reservations the seller is also entitled to demand immediate payment of all amounts owing and to rescind existing delivery obligations.

III. Receipt of Goods

The date of receipt of goods by the buyer is the date stamp of the destination station with rail transport or the actual date of unloading by the haulier with road transport. In all cases of delivery delay THEURL has the right to an adequate period of grace. A set date is out of the question.

Unless otherwise agreed the buyer undertakes to unload the goods at his own expense and protect them immediately against damage (moisture etc.)

IV. Warranty and other Quality Deficits

The buyer is bound to report to the seller in writing and with a detailed description any defects within 8 days of receipt of goods quoting package number, delivery date and exact amounts. After this period and when delivery 'as inspected' or 'ex factory' has been arranged, the delivery will be deemed to have been approved and accepted by the buyer.

Possible defects do not entitle the buyer to postpone or refuse receipt of goods or full payment. When legitimate defects have been reported in time, THEURL reserves the right to replacement or supplementary delivery, price reduction or recall of the goods without replacement.

Replacement or supplementary deliveries will be carried out by THEURL within a reasonable period of time.

In the event of quality deficits or other differences of opinion, any arrangements proposed by THEURL do not constitute an acknowledgement of the buyer's claims. Such proposals become valid for the seller only when signed by both parties.

V. Price

All additional costs to carriage-free delivery price as well as other costs and expenses (border expenses, duty payments etc.) are payable by the buyer.

Discount amounts and commission are calculated from the ex-factory price.

If the goods are placed at another's disposal, the buyer shall bear the resulting costs.

The buyer agrees to accept price increases, after the signing of the contract and before payment, for which THEURL cannot be held responsible.

VI. Payment

Agreed payment deadlines, but to a maximum of 30 days, begin with invoice date – shipping date and are deemed to have been met only when full payment has been unconditionally credited to the THEURL account stipulated on the invoice prior to end of deadline.

Payment by cheque or bill of exchange is not permissible in principle. However, should this be expressly agreed in writing, the deadline will be deemed to have been met only when the bank has accepted the cheque or bill prior to deadline. Any expenses incurred when using cheques or bills of exchange will be borne by the buyer.

THEURL is entitled to invoice in euros or the national currency of the buyer. The invoice date determines the actual rate of exchange. Any disadvantages caused by failing to meet the arranged payment deadlines (e.g. exchange rate fluctuations) will be borne by the buyer.

In the event of late payment we reserve the right to charge interest in the amount of 10% over the European Central Bank Rate for Main Refinancing Operations – Fixed Rate Tenders/Fixed Rate, from the due date.

In the event of late payment Theurl Leimholzbau GmbH reserves the right to charge compensation for recovery costs of late payments in the amount of EUR 40,- per invoice.

VII. Assigning and Offsetting of Claims

THEURL is entitled to assign all rights ensuing from the contract with the buyer entirely or in part to third parties, or to let third parties fulfil all obligations deriving from the contract. Similarly, THEURL is entitled to offset any counterclaims of the buyer with claims it has against the buyer.

The buyer is not entitled to assign any counterclaims against THEURL to third parties or to offset any counterclaims against THEURL with claims arising from the contract.

VIII. Retention of Title

All deliveries remain the sole and absolute property of THEURL until such time as the buyer shall have paid the full amount. Claims of the buyer from a possible onward sale of the conditional goods are transferred automatically to THEURL until full payment has been made. In the event that the buyer passes the goods on before full payment has been effected, the buyer is obliged to inform the other party of THEURL's retention of title and the assigning of claims to THEURL.

The buyer is obliged to clearly mark the delivered goods as the property of THEURL until full payment has been made.

If the buyer is in arrears with payment THEURL is entitled to pick up the goods without prior notice or period of grace. The buyer agrees to compensate THEURL for any disadvantages resulting from overdue payments. In particular, the buyer shall be deemed responsible for any loss of proceeds resulting from an onward sale and for the costs of return and onward transport of the goods.

The retention of title and assigning of claims apply irrespective of where the goods are stored or whether they have been further processed.

The buyer is also obliged to store the delivered goods separately from other goods until full payment has been made and to insure the goods against fire, theft, breakage and weather damage at his own expense.

IX. Choice of Law and Jurisdiction

Place of performance for all obligations of the parties arising from the contract including the ensuing bills payable is the headquarters of THEURL.

The contract between Theurl Leimholzbau GmbH and the contracting party is governed exclusively by Austrian law and the provisions of Austrian trade practice. The place of jurisdiction is the relevant court at the headquarters of THEURL.

THEURL is, however, entitled to appeal to the relevant court at the headquarters of the buyer.

X. Final Provisions

If any of these terms of business or delivery contract become void, the remaining terms shall remain in full force.

Any void or inapplicable provisions will be replaced by provisions that are in accordance with the relevant legal position and correspond as far as possible to the provisions originally agreed upon.