

**General Terms and Conditions of Purchase of Lemeth Trading GmbH
Vienna, Austria**

Article 1 - General

- 1.1 These General Terms and Conditions apply to all offers to and agreements with Lemeth Trading GmbH and its legal successors, as well as associated companies or with said successors (together as well as individually hereinafter also called: the Company), relating to the delivery of goods by the offerer or the other party concerned (hereinafter: the Supplier).
- 1.2 The applicability of the Supplier's general terms and conditions is hereby explicitly rejected.
- 1.3 Any stipulations deviating from these General Terms and Conditions shall only apply in the event that and insofar as they have been accepted by the Company in writing.

Article 2 - Agreement

- 2.1 An agreement, under which in this article also any changes and/or additions are included, shall not be binding unless it has been agreed upon in writing.
- 2.2 An agreement shall be concluded in writing at the moment in time of signing contract by the board of management of the Company and by the Supplier, or on the date of dispatch (by post, email and/or by telefax) by the Company of the written order confirmation, signed by its board of management. Promises by and arrangements with subordinates of the Company shall not bind the Company, unless these have been confirmed in writing by the board of management of the Company.
- 2.3 The contract presents the contents of the agreement concluded between the parties completely and correctly. The order confirmation of the Company shall be considered to present the contents of the agreement completely and correctly, unless the Supplier rejects its contents forthwith in writing and motivated. In that case, the Company shall no longer be bound by the order confirmation either.
- 2.4 The Supplier must procure the permissions, permits and/or licenses needed for the execution of the agreement, in time and at his expense, and he must see to it that the conditions made therein or thereby are observed. The Supplier shall be solely liable for any failure to acquire the permissions, permits or licenses, or to acquire them in time, or for the non-observance of the conditions made therein or thereby, whereas the Supplier shall indemnify the Company for any and all damage and costs arising from such failure.
- 2.5 Unilateral cancellation from the side of the Supplier shall be null and void, unless the Company agrees to said cancellation in writing.

Article 3 - Confidentiality

The Supplier shall treat all business information in the broadest sense of the word, in connection with the Company, which has been brought or come to his knowledge by the Company and/or within the framework of the agreement, confidential and shall not disclose the same to any third party.

Article 4 - Prohibition to make offers and such to the client

The Supplier shall refrain completely from stating prices and/or making any offers, either directly or by third-party intervention, to the client of the Company in connection with the goods the Company is negotiating with the Supplier about or has concluded an agreement on.

Article 5 - Industrial and intellectual property rights

- 5.1 The Supplier guarantees that (the use of) the delivered goods do not infringe any and all (logotype) trademark rights, copyrights or any other industrial or intellectual property rights of third parties (referred to hereinafter as: IP right holders) or any other rights of third parties.
- 5.2 The Supplier guarantees that the delivered goods have been brought to market by the IP right holder itself, or with its permission, in the countries of the European Economic Area (EEA), also if the Supplier did not buy the goods from the IP right holder itself. The Supplier guarantees that the delivered goods are fit for sale in the EEA market and that they may be freely traded in the EEA market.
- 5.3 The Supplier indemnifies the Company and its client(s) against all claims related to circumstances of which the Supplier guaranteed the presence or absence in this article, and will compensate the Company, or its client(s) for any loss as well as the costs ensuing from such claims. If requested by the Company, the Supplier will furnish the names and other details of its own suppliers to the Company if the Company in its turn needs to furnish those details to a third party.
- 5.4 The Company has title to all the industrial and intellectual property rights that arise or result from the implementation of the agreement by the Supplier, its personnel or third parties who were involved in the implementation of the agreement by the Supplier.
- 5.5 The Supplier indemnifies the Company against all claims by third parties in respect of industrial and intellectual property rights relating to the delivered goods to which the Company has title and will compensate the Company for any loss as well as the costs ensuing from such claims.

Article 6 - Prices

All prices shall be fixed and inclusive of turnover tax, import and export duties, excise duties and all further levies and taxes in connection with or in relation to the goods or the delivery. The prices shall furthermore be based on the Terms and Conditions (of delivery) mentioned in the following articles. There shall be no settlement in the event of increase of wages, prices of materials and the like.

Article 7 - Delivery and terms and conditions of delivery

- 7.1 Unless explicitly agreed upon otherwise, the delivery shall be made "Delivered Duty Paid" (DDP) at the place indicated by the Company. The interpretation of the Terms and Conditions of delivery shall be determined by the edition of the Incoterms which is most recently issued by the International Chamber of Commerce at the time of conclusion of the agreement.
- 7.2 The Supplier shall deliver the goods on the date mentioned in the agreement, or not later than the last day of the term mentioned therein, and failing an agreed date or term, within 3 days. Said date or term shall apply as a strict and final delivery date or term. A term of delivery mentioned in the agreement shall apply as of the date of conclusion of the agreement.
- 7.3 The Supplier shall be obliged to timely inform the Company about the exact time of delivery and about any threatening exceeding of the time of delivery.
- 7.4 At the request of the Company, the Supplier shall be obliged to deliver the goods at a later date than the agreed one and the Supplier shall do his utmost to deliver the goods at an earlier date than the agreed date, in the event that the Company considers this desirable, without being entitled to any compensation of damage and costs because of this.
- 7.5 The Supplier shall only be entitled to make partial deliveries after prior written consent by the Company.

Article 8 - Transportation and unloading

- 8.1 Transportation and unloading of goods shall be at the expense and risk of the Supplier in accordance with the Terms and Conditions of delivery mentioned in the previous article.
- 8.2 The Supplier can on no account claim any compensation of damage and costs as a result of any possible delay arising at the unloading of delivered goods.
- 8.3 The Supplier must present a delivery note immediately at the unloading of the goods, so as to have said note signed for approval by a person authorized on behalf of the Company to do so. The signing of the delivery note shall solely be a confirmation of the receipt of the delivered goods and does not imply any approval of (the quality or the quantity) of the delivered goods and does not discharge the Supplier of any guarantee and/or liability. Nor can the signing of the delivery note result in a change of the agreement in any other way.
- 8.4 In any and all cases and notwithstanding the agreed Terms and Conditions of delivery, the Supplier shall be obliged to provide the documentation which is needed to transport the goods to the place of destination.

Article 9 - Packaging

- 9.1 The Supplier shall pack the goods with proper care. He shall be liable for damage and costs caused by insufficient packaging of and/or damage to and/or destruction of this packaging.
- 9.2 The Company shall not be obliged to pay the costs of packaging, unless explicitly agreed otherwise.
- 9.3 The Supplier shall take back any possible packaging of the goods at demand by the Company and shall collect said packaging at his expense at the Company's premises, at the same time refunding any costs charged for said pack-aging by the Supplier to the Company.

Article 10 - Quality

The Supplier shall guarantee that the delivered goods are:

- a. original and originating from the manufacturer stated on the packaging and labels (therefore not produced under license either), as well as in accordance with the quality intended by said manufacturer and without any faults;
- b. regarding conservability as well as quality -and taking into consideration usual terms -suitable for sale to re-sellers and (finally) for sale to and use by consumers;
- c. provided with the original and with regard to design and coloring most recent packaging and labeling of the manufacturer;
- d. in accordance with the demands made in the agreement, the documents belonging to the agreement and/or made available, as well as with the norms and specifications set by the Company and samples approved by it; and
- e. in accordance with national, European and other international rules and regulations, including the requirement of the presence of the original batch or code numbers (identical on the packaging and on the labels) enabling the identification of the goods.

Article 11 - Inspection

- 11.1 The Company or any third party designated by it shall at all times have the right to inspect or to test the goods, wherever these may be. The results of inspection or test or the omission thereof shall not discharge the Supplier of any guarantee and/or liability.
- 11.2 The Supplier shall provide all information and facilities needed for an inspection or test, including the necessary help regarding employees and materials.

- 11.3 The personnel costs of the Company or the designated third party concerned, made in connection with an inspection or a test, shall be payable by the Company. Any other costs shall be at the Supplier's expense.
- 11.4 The Company shall inform the Supplier forthwith of any rejection of goods. In that case, the Supplier shall be bound to repair or to replace the rejected goods at his expense within a time-limit to be stipulated by the Company, and in such a way that said goods do fulfill the approval requirements, without prejudice to any other rights of the Company. In case of rejection, goods already delivered must be taken back at the Company's request and at the expense of the Supplier. Rejection shall also entitle the Company to suspend payment of the agreed price or installment.
- 11.5 The Supplier shall give the Company the right to use or to put into use the delivered goods even before inspection or test has taken place.

Article 12 - Property and risk

- 12.1 The Supplier shall bear the risk for the goods until the moment in time at which said goods have been delivered and approved of by the Company in accordance with the previous articles.
- 12.2 In the event that the Company shall make any payment to the Supplier before the delivery of the goods, the goods said payment refers to or is attributable to, shall be the Company's property as of the time of payment.
- 12.3 In the event that the Company will be or will become the owner of (a part of) the goods already before the delivery and approval, then the Supplier shall be obliged to identify these goods on behalf of the Company and to take proper care of said identified goods, as well as to insure them and keep them insured for the benefit of those concerned.

Article 13 - Payment and settlement

- 13.1 Unless another term has been explicitly agreed upon and subject to any (suspension) rights the Company is entitled to, payment shall take place within sixty days after the last of the following moments in time:
 - a. the time of delivery of the goods;
 - b. the time of approval of the goods by the Company;
 - c. the time of receipt of an invoice by the Company, fulfilling the requirements stated in the following article.
- 13.2 Payment of the delivered goods shall not discharge the Supplier of any guarantee and/or liability.
- 13.3 In the event that it has been agreed that the Company shall make any payments in advance, the Company shall have the right at all times, before making said payments, to require from the Supplier the provision of a security which is sufficient at the Company's discretion.
- 13.4 In the event that the Company has a well-founded fear that the Supplier will not fulfill his obligations, the Company shall be entitled to suspend the fulfillment of the Company's own obligations.
- 13.5 The Company shall be authorized to settle any amounts payable to the Supplier or to companies associated with the Supplier with any claims the Company (or any party associated with the Company) has on the Supplier or on any companies associated with the Supplier, irrespective of the fact whether the amounts concerned are due or not.

Article 14 - Invoicing

- 14.1 The invoices to be sent to the Company by the Supplier shall fulfill the requirements set by or by virtue of the Umsatzsteuergesetz 1994 (Value Added Tax Act 1994).
- 14.2 The invoices of the Supplier must be accompanied by notes signed for approval by a person authorized by the Company.

- 14.3 Invoices not fulfilling the requirements set out in the previous paragraphs of this article shall not be dealt with nor paid.

Article 15 - Return shipments

- 15.1 The Company shall be entitled to return the goods bought from the Supplier, thereby crediting and requiring refund of the price originally charged by the Supplier to the Company for said goods, if as a result of actions or failure to act by the Supplier, the situation in the market and/or the marketability of these acquired goods is essentially different from what it was at the time of the formation of the agreement.
- 15.2 Furthermore the Company shall be entitled to return the goods bought from the Supplier within twelve months after the delivery without stating the reasons, in the event the goods deviate regarding packaging or labeling from what is usual for the goods concerned (for instance so-called action lots), thereby crediting and requiring refund of the price originally charged by the Supplier to the Company for said goods.

Article 16 - Guarantee

- 16.1 The Supplier shall repair forthwith any and all defects, shown by the goods after the delivery in consultation with the Company, and in the event that in the Company's opinion repairs are not possible, replace said goods, without prejudice to the Supplier's liability and any further rights of the Company.
- 16.2 Any and all costs of repairing the defect or replacing the goods shall be payable by the Supplier.
- 16.3 In the event that the Supplier does not repair the defect forthwith and/or sufficiently, or if the reparation of the defect cannot be postponed, the Company shall have the right to carry out the necessary actions or have these carried out at the Supplier's expense. In the event that the Company exercises this right, the Company shall inform the Supplier in writing.
- 16.4 Any obligations under the guarantee shall apply unimpaired after the reparation or replacement of the goods.
- 16.5 The Supplier shall hold harmless and indemnify the Company against any and all claims by third parties with regard to defects to the goods, under whatever name.
- 16.6 A report of an independent expert concerning the relevant defects shall be conclusive evidence between parties in the event of a claim by the Company based on the guarantee referred to hereby. Said report need not include any information on the identity of the clients of the Company, nor on the place where the goods are. Moreover, the Company shall not be bound to inform the Supplier of such data.

Article 17 - Liability

- 17.1 The Supplier shall be liable for all and any damage and costs, inclusive of business and other indirect damage (whereby loss of profit), arising from defects to the delivered goods or other shortcomings, whether attributable or not, of the Supplier and/or caused by natural persons or legal entities working for the Supplier or by any employed, directly or indirectly, by (one of) said natural persons or legal entities.
- 17.2 The Supplier shall hold harmless and indemnify the Company against any and all claims by third parties he is liable for, of whatever name.
- 17.3 The Supplier shall insure his liability as described in this article to a sufficient amount and shall allow the Company inspection of the documents referring to said insurance, among which the policy and premium receipts.
- 17.4 The provisions of article 16 paragraph 6 also apply.

Article 18 - Complete or partial dissolution

- 18.1 In the cases provided for by the Law, as well as in the event that the Supplier does not, not in time or not sufficiently fulfill one or more obligations arising for him from the agreement, or in the event that there is serious doubt as to the Supplier being able to fulfill his contractual obligation towards the Company, as well as in the event of bankruptcy, suspension of payments, complete or partial stoppage of work, liquidation, transfer or encumbrance of the Supplier's business, including the transfer or pledging of an important part of his debts receivable and furthermore in the event that any goods of the Supplier are attached before judgment or in execution, the Company shall have the right to dissolve the agreement partially or wholly without notice of default or judicial intervention, by means of a written notice sent to the Supplier, and all this without the Company being liable to any compensation and without prejudice to the Company's further rights.
- 18.2 In the event that goods have already been delivered in connection with the execution of the agreement, the Company shall have the right to keep these goods in case of dissolution, subject to the payment of the part of the price referring to said goods, or to return these goods to the Supplier at his risk and expense and to reclaim the payments already made for these goods, all this at the Company's discretion and without prejudice to the Company's further rights.
- 18.3 The claims which the Company may have or get as a result of the dissolution of the agreement, its possible claim for compensation of damage and costs inclusive, shall be immediately and fully payable.

Article 19 - Subcontracting and transfer

- 19.1 Without explicit prior consent of the Company, the Supplier shall not subcontract the agreement or any part thereof to third parties nor transfer his obligations arising from the agreement or a part thereof to third parties, nor use any other employees than his own staff (for instance employees made available (hired out) for the execution of the agreement. The Company shall have the right to attach conditions to any consent to be given by the Company. Consent given by the Company shall not release the Supplier from any obligation arising from the agreement concluded between the parties.
- 19.2 The Supplier shall compensate any and all damage and costs caused by non-observance of the provisions of the previous paragraph of this article to the Company and shall hold harmless and indemnify the Company against any claims by third parties in this respect.

Article 20 - General

- 20.1 In the event that one or more stipulations of the agreement, thereby included stipulations of these General Terms and Conditions, are null and void or become legally invalid, the agreement shall remain in force for the rest. Parties shall consult on the stipulations which are null and void or have become legally invalid, in order to make an alternative arrangement.
- 20.2 In the event that one or more stipulations of the agreement, thereby included these General Terms and Conditions, might be contrary to mandatory provisions, stipulated by or to be stipulated by a body authorized thereto, these latter provisions shall be considered to come into the place of the relative stipulations of the agreement.
- 21.1 With regard to any and all disputes in connection with the agreement, or with further agreements arising or resulting from or in connection with said agreement, the court in Vienna, Austria shall have exclusive jurisdiction in the first instance, unless the Company explicitly opts for the competence of the court in the place of establishment of the Supplier.
- 21.2 The agreement, as well as any and all further agreements arising or resulting from or in connection with said agreement, shall be governed by the laws of Austria.
