

General terms and conditions of delivery and payment  
**BT-Watzke GmbH, A-8243 Peggau**

The following terms and conditions of sale are the basis for the sales:

1. Placing of the order:

An order is deemed to be placed on receipt of the confirmation by us. Additions, modifications or oral side agreements, namely oral agreements with our representatives, require our written confirmation to be valid, as only our confirmation is relevant for acceptance and execution of the order.

2. Prices:

Our prices are based on the present purchase prices of raw materials and auxiliary materials and the present wages. Should these change, then we reserve the right to correct our sale prices. Packaging is included in the price.

3. Delivery options:

The delivery dates mentioned are approximate. The excess or short delivery of up to 10% of the quantity ordered is agreed on for reasons of dispatch or on grounds of technical production. On account of disturbances of any kind in operations and traffic, fire, floods, labour conflicts, defects in raw materials and auxiliary materials, restrictions on the use of energy as well as official orders, which reduce, hamper or impede the manufacture, the dispatch or use give us the right,

- a) to extend the delivery deadlines appropriately,
- b) to withdraw wholly or partially from deliveries, without the buyer being able to raise a claim whatsoever for damages.

4. Transfer of risk — Shipment:

The point of time of the transfer of risk is determined as follows in the following cases in accordance with Incoterms 2000:

- a) In the case of a sale "exw" the risk is transferred from the seller to the buyer, when the goods are made available to the buyer. The seller has to inform the buyer of the time from when these goods are available to the latter.
- b) In the case of a sale "fca" or "cpt/cip" the risk is transferred from the seller at the point of time at which the buyer accepts the transportation loaded with the goods from the first carrier.
- c) In the case of sale "fob" or "cfr/cif" the risk is transferred from the seller to the buyer when the goods have actually crossed the railing of the ship in the designated port.

Unless agreed otherwise the goods are considered sold as "exw".

5. Notice of defects:

The goods are to be examined by the buyer immediately on arrival at the destination. The condition of the goods is considered to be accepted, if we do not receive a notice of defects within 10 working days after arrival at the destination. Hidden defects, which are not detected immediately on the acceptance of goods can be recognized only if the notice of defects is sent within 3 months after receipt of the goods. Return of goods can be accepted only, if our consent is received in advance. The condition of a delivery cannot be assessed by that of an individual sample, the average quality of the total delivery is crucial. The customer can demand only a reduction in the purchase price or delivery of defect-free goods on return of the goods supplied for defective goods under exclusion of all other claims.

We cannot be made liable for slight deviations in colour and quality of the goods, in bonding properties, printing as well as for variations in weight normal in industry of up to 5% above and below. There can be no objection to deviations which are ascribed to the differences between the sample and the order relating to printing technology.

6. Product liability:

The obligation to pay compensation for material damages resulting from Product Liability Law BGBl 99/1998, as well as claims for product liability, which can be derived from other regulations, are excluded. These limitations to liability are to be completely transferred in its entirety to all and any customers, the latter being obliged to transfer the said liability further to any subsequent consumers. In general and in particular in terms of the Product Liability Law the customer has to take into account the specific properties (e.g. environmental temperature, humidity and moisture) of the goods supplied by us in relation to their treatment, application and storage.

7. Terms of payment:

- a) Our invoices are payable within 30 days without deduction. Stamps, printing plates, etc. continue to be our property even if the gravure costs are paid, and will not be delivered.
- b) In case of default of payment we reserve the right to charge default interest. The default interest is calculated at a rate of 2% above the respective bank's discount rate after the expiry of 20 days from the billing date.
- c) If we become aware of a significant deterioration in the asset situation of the customer or if the customer falls behind with the payment of one of our invoices, then we have the right to demand payment in advance or security for all outstanding deliveries in deviation from the confirmation of the order. If the agreed terms and conditions are not fulfilled, regardless of our rights, we have the right to withdraw from the contract.
- d) The goods supplied remain our property till the complete payment of the purchase price. The commitment of the bills of exchange or cheques applies as payment only when the amount including all subsidiary costs is received by us.
- e) The purchaser/ordering party undertakes in the event of late payment to reimburse the seller/supplier the expenses for reminders and collection as well as the pre- and extrajudicial costs for collection.

8. Retention of title:

If the buyer should resell the goods before full payment or resell them after processing, then he assigns to us all demands from any resale of these – processed – goods against his buyers for the amount which he still owes us.

The buyer remains entitled till revocation as our fiduciary to collect the amount demanded provided that the collected amount remains our property and is paid to us immediately. The buyer has at our request to notify the debtor of the assignment of the demand to us with a copy to us, furthermore he is obliged to report access by third parties or any liens on the goods supplied by us under retention of title.

9. Place of performance and court of jurisdiction:

The place of performance for deliveries and payments is Peggau, Styria. The sole court of jurisdiction for any disputes arising from the contractual relationship directly or indirectly is Graz, Styria.