

General Conditions of Sale and Delivery

1. Conclusion of the contract:

All our deliveries are effected on the basis of the following Conditions of Sale and Delivery. Any changes or additional agreements require our written confirmation to become effective and only apply to the relevant individual transaction. We herewith object to any deviating conditions of purchase of the purchaser; they are also not binding on us, even if we do not object to them again upon conclusion of the contract. The transmission of the order confirmation shall not be regarded as an acknowledgement of the purchaser's conditions as well. Our conditions are deemed to be accepted at the latest upon acceptance of the goods.

2. Prices:

Unless agreed otherwise, the selling prices applicable on the date of delivery are charged, and any transportation or other incidental expenses are invoiced separately. Any discounts or rebates granted only apply to the respective delivery and not to any follow-up orders or deliveries, including if we do not object to any deductions made by the purchaser in the case of possible follow-up orders or deliveries.

3. Payment:

Cheques are only accepted with reservations and are not regarded as payment until they have been honoured fully. Bills of exchange are not accepted. If payment terms are not complied with, we are entitled, at our discretion (i) to charge interest on arrears of eight percentage points above the base rate, to demand, irrespective of a fault, the costs of extra-judicial recovery and collection measures and to claim damages for any losses incurred by us or (ii) to cancel the contract and claim damages due to non-performance. In the latter case we are entitled, irrespective of a fault of the purchaser, to demand or to retain the agreed down payment, but at least 15% of the purchase price, as a penalty. The duty to pay the penalty shall not impair our right to assert any additional losses. Payment periods granted commence on the date of invoicing. If payment periods are not met, we are also entitled to demand immediate payment of all our claims we have against the purchaser.

4. Delivery period and acceptance date:

As a rule, our particulars regarding delivery dates are non-binding. We are not liable for any delays on the part of the supplying plants. Our delivery obligation is subject to the reservation of correct and punctual deliveries from our suppliers, unless incorrect or non-punctual delivery from our suppliers is attributable to a fault on our part. Any claims of the purchaser for damages due to late performance are excluded. The purchaser is obliged to accept the goods immediately after a notification of their provision for delivery. In the event of late acceptance, the purchaser is liable to pay storage expenses without prejudice to any other rights we may have. Insofar as partial deliveries are possible, we may also effect partial deliveries at our option. Each partial delivery is regarded as a separate transaction and can be invoiced by us separately. With respect to mass-produced goods, we do not grant any warranty that the ordered quantity is absolutely complied with. Any excess items in the limits of usual tolerances are to be taken over by the purchaser at the same price. Delivery duties and delivery periods shall be suspended as long as the purchaser is late with a payment or fails to perform any other acts necessary for fulfilling the order. Any change in an order results in a change of the originally agreed delivery date. In case of goods being picked up by the client or by any third party on his behalf (e.g. forwarding companies), the client is obliged to provide a vehicle as well as the necessary means to secure the goods in compliance with the respective laws. Frankstahl reserves the right to refuse loading the vehicle as well as to bill the client with any occurring expenses should the vehicle or the means to secure the goods not be in accordance with the respective laws. The refusal of loading the goods on the client's vehicle does not release the client from picking up the goods or constitutes a reason for cancellation of the contract.

5. Shipment:

Where no specific requirements regarding shipment have been defined in the purchase order, transportation is effected at our best discretion, but without any responsibility for the cheapest means of transportation. Shipment is effected exclusively at the risk of the purchaser, including in the event of freight-prepaid deliveries.

Packaging material is invoiced at cost and not taken back. Goods sent directly to third parties are regarded upon shipment as delivered in compliance with the terms and conditions and as accepted definitely with respect to their outer and inner properties.

6. Reservation of title:

The goods delivered remain our sole property until our total claim has been paid fully. The total claim means both our claim under the delivery of the goods and under the delivery of other goods or due to other legal reasons. The reservation of title only lapses after all our claims have been paid by the purchaser. This also applies to a balance to the debit of the purchaser under a current account relationship. If the purchaser is late with payment, we are entitled to demand return of the goods at any time, including without cancelling the contract. Any legal action commenced regarding the purchase price or a part thereof shall not affect our reservation of title. As long as our reservation of title exists, we also have the right to cancel the

contract. If the contract is cancelled, the purchaser will be credited only for the amount for the goods returned to us, which is the fair value of the goods on the date of return, less any handling expenses or transportation expenses incurred by us or other disadvantages caused by the cancellation of the contract, including lost profits. As long as our reservation of title is in existence, the purchaser may only dispose of the goods with our prior written consent. If the purchaser disposes of our goods, we automatically acquire all receivables and claims, which the purchaser accrues under the disposition of the goods. If the goods are commingled or processed, all resulting co-ownership claims shall be vested in us instead of in the purchaser. In the event of pledging of or any other claims to the delivered goods on the part of third parties, the purchaser shall notify us immediately. If the purchaser fails to pay the purchase price indicated in the invoice sent to the purchaser, including the value added tax stated, by the agreed due date, the purchaser shall secure our claim still outstanding by creating a sufficient lien, at our option, either on real property in the ownership of the purchaser, on items of tangible fixed assets, on investments held by the purchaser in third-party companies, on items of inventories, on bank balances with domestic credit institutions as well as on unconditional claims under contractual deliveries and services provided to customers with impeccable creditworthiness, in each case to the extent of the due purchase price claim.

7. No transfer of rights:

The transfer of the rights under the delivery contract to third parties without our consent is not permitted.

8. Warranty:

The purchaser has to inspect the goods immediately upon acceptance or arrival at the place of delivery and to immediately give notice of a defect to us in writing, unless the defects are hidden defects. The notice of a hidden defect is to be given to us in writing immediately after the defect has become recognisable by the purchaser. The agreed warranty period is six months. Where a justified notice of defects has been given in due time, we offer the purchaser at our discretion a credit note or free replacement against return of the goods complained of. The purchaser's right of cancellation or rescission of the contract is excluded. The possibility of special recourse pursuant to section 933 b of the Austrian Civil Code (ABGB) after the end of the warranty period is excluded. Frankstahl effects deliveries within the framework of the standards and/or specifications specified in its documents. Any commitments above and beyond this framework in respect of special qualifications and requirements require in all cases the written consent of an authorised representative of Frankstahl.

9. Damage claims:

We are liable only for an intentional or grossly negligent conduct on our part. Damage claims, in particular those made instead of warranty claims, are statute-barred after six months from the date on which the purchaser has become aware of the damage and the party causing the damage. If the purchaser or any other contracting partner of ours resells the products placed on the market or distributed by us, the purchaser or partner is obliged to impose the afore-mentioned regulation to its full extent on its customers and to obligate them to impose it further on all their customers. The purchaser or any other contracting partner of ours shall be liable for all disadvantages we incur, if they fail to further impose the aforementioned regulation. Resale means any transfer to another customer, whether in unprocessed or processed form in the context of execution of work (e.g. installation into a piping network or any other structure).

10. No offsetting:

Offsetting with counter-claims against our claims is not permitted, unless we acknowledge such offsetting explicitly in writing in an individual case by specifying the amount.

11. Release from the performance of contracts concluded:

Any events of force majeure and their consequences shall release us from our duty to deliver. Changes in the purchaser's creditworthiness give us the right to cancel the purchase or to request payment in advance or securities. In this case, the purchaser shall be liable for expenses incurred by us in connection with the order placed. Damage claims made by the purchaser due to these reasons are excluded.

12. Invalidity of individual provisions:

If individual provisions of these General Conditions of Sale and Delivery are invalid, the validity of the remaining provisions of these General Conditions of Sale and Delivery and of the conclusion of contract shall not be affected.

13. Applicable law, place of performance and place of jurisdiction:

The laws of the Republic of Austria shall be applicable. The provisions of the UNCITRAL Sales Convention of 1980 are excluded. The place of performance for delivery and payment shall be Vienna. The place of jurisdiction for all disputes under this contractual relationship shall be the competent court in Vienna, Innere Stadt. 10/2008