

EnvironTec's conditions of sales, delivery and guarantee

1. Legal Validity

Basically, EnvironTec works exclusively pursuant to these conditions of sales, delivery and guarantee. Deviations from these conditions shall only be legally binding if they have been mutually agreed upon in writing. Moreover, trade customs and other provisions of Austrian law shall be applicable. With respect to invitation to tenders, acceptance, handing over and project accounts the relevant Austrian standards (ÖNORM) shall be applicable.

2. Prices

Unless otherwise agreed, our prices shall at all times be deemed to be ex works, exclusive of packing, insurance and VAT. The prices valid at the date of delivery will be invoiced. Prices stated in our lists or quotations shall be deemed without obligation unless a firm forward settlement price has been previously agreed.

3. Delivery and Delivery Times

With respect to the extent of delivery and the delivery date solely our order acknowledgment shall be deemed relevant. We will make every effort to adhere to the indicated delivery time. However, extraordinary occurrences shall entitle us to alter accepted delivery obligations, in which case any claims for indemnification shall be excluded.

4. Complaint of Defects and Liability

The client shall be obliged to have the erection, mounting, setting into operation and maintenance of the installation carried out only by skilled personnel. EnvironTec can provide skilled personnel for mounting, putting into operation and training, the respective costs shall in such an event be borne by the client. Any kind of complaint shall be only considered if it has been lodged in writing immediately upon delivery. Warranty of our products shall be restricted to free replacement of parts damaged in the course of normal stress conditions due to inadequate design, faulty material. Any further liability, in particular for replacement or consequential damages, shall be excluded. Our warranty shall not include damages due to improper storage, treatment, mounting or overload.

5. Terms of Payment and Retention of Title

Our invoices shall be due for payment within 14 days from the date of issue, net, with-out any discounts, payable into the account specified by us. Acceptance of cheques or bills of exchange shall be subject to our discretion, but shall in any case be considered only in fulfillment, i. e. only be credited reserving due payment upon maturity. Discount interest and other charges shall be borne by the debtor.

Retention of payments due to reduction of price or other counterclaims, particularly due to raising of warranty claims, shall be excluded. In the event of payment later than the due date we shall be entitled to charge the respective interest incurred. A cession of any of our claims shall only be permitted by our written agreement. In the event of delay of payment for more than 14 days than the due, we shall be entitled to cancel the contract.

EnvironTec shall retain title to all goods supplied until the purchase price and all extra charges have been paid in full. If the goods supplied are resold by the purchaser, he shall assign the claims resulting from this resale to EnvironTec, until all our claims have been settled in full. The purchaser shall be obligated to immediately notify EnvironTec in the event that goods supplied subject to retention of title are pledged or otherwise claimed by third parties. If the customer fails to pay open invoices within a period of 14 days after EnvironTec has sent him one reminder – the date when the money reaches the account of EnvironTec is relevant – EnvironTec has the right to stop all works until the payment has been received or to cancel the contract effective immediately out of important reason. The client cannot claim anything towards EnvironTec for any reason.

6. Rescission of the contract

Rescission of the contract shall only be possible with our consent. In the event of rescission of the contract, the purchaser shall reimburse EnvironTec all the latter's expenditures incurred until this date and loss of earnings, and shall if need be also pay a cancellation fee fixed by EnvironTec. As a matter of principle, consent of rescission shall be made in writing.

7. Guarantee Conditions

As to the quality of the materials supplied, EnvironTec shall assume, taking the relevant Austrian standards (ÖNORM) into consideration, a guarantee for a period of 12 months upon signing of the acceptance/transfer report or upon putting the installation into operation, to the extent to replace materials free of charge which can be proved to have become defective due to EnvironTec's fault. All warranty claims shall be considered only if the purchase price has been paid in full. No guarantee shall be assumed for supplies and performances not paid for. EnvironTec is not liable for any damages due to intervention of third parties, inadequate mounting, excessive stress overload or chemical influences. Repair costs incurred by calling in third parties shall not be accepted. Maintenance work, replacement of wearing parts and work carried out within the framework of Operating and Maintenance Instructions shall not be subject to guarantee.

8. Planning and Engineering

Planning and engineering work, dimensioning of installations and project performance carried out by EnvironTec are based, to a large extent, on specifications and information supplied by the purchaser. Dimensioning characteristics and reference values have to be checked by the purchaser immediately upon receipt. The purchaser shall notify EnvironTec in writing about any modification, supplementation or correction within 14 days upon receipt of the project documents. Costs for project modifications incurred due to missing, deficient or wrong statements, or due to notification of modified values made later than the specified time limit shall be borne by the purchaser. In case of malfunctions or failure to achieve stipulated values due to missing, wrong or insufficient data given by the purchaser, EnvironTec assumes no liability. Therefore, no claims for indemnification shall be accepted for such reasons.

9. Place of Performance and Jurisdiction

Any dispute shall be governed by Austrian law.

Place of performance and place of jurisdiction for all business transactions of EnvironTec is Bregenz/Austria.

10. Additional Conditions

With respect to installations for process technology, plant engineering, general planning and project work, the respective project or plant related operating and maintenance instructions shall be applicable. The relevant instructions shall form an integral part of our conditions of Sales and Delivery. Fussach, February 2005