

GENERAL TERMS AND CONDITIONS FOR DELIVERIES, WORK AND SERVICE ("GTC") FOR Muehlbauer Technologies s.r.o.
 registered in the Commercial Register of the District Court Nitra, Section Sro, File No. 20641/N, Identification No. 36 725 323, having its
 registered office at Sasinkova 6, 951 41 Luzianky, Slovak Republic ("Muehlbauer SK")

Definitions

In these GTC, "Supplier" means Muehlbauer SK and its affiliates; "Customer" means the person, firm, company or corporation by whom the order is given; "Contract" means the written agreement (including these GTC) made between Customer and the Supplier for the supply of the goods and/or provision of services; "Commercial Code" means the Slovak Commercial Code, Act No. 513/1991 Coll. as amended; "Code of Civil Proceedings" means the Slovak Code of Civil Proceedings, Act No. 99/1963 Coll. as amended; "Act on Product Liability" means the Slovak Act on Liability for Damages caused by Defective Goods, Act No. 294/1999 Coll. as amended; "Data Protection Act" means Slovak Act on Personal Data Protection, Act No. 428/2002 Coll. as amended.

I. General

- The GTC are valid for all the Supplier's consultations, offers, sales, deliveries and services and all current and future contractual relationship between Supplier, its affiliates and its Customer. Conditions for purchasing of the Customer, which are completely or partly contrary to the GTC or to the general legal regulations, are hereby expressly disagreed. The GTC will also become an integral part of the Contract, if the Supplier carries out the deliveries or services in the awareness of regulations to the contrary without reservations. The GTC shall apply to all future business relations, even if they are not explicitly remade again and as far as the Customer has known them or ought to have known due to a previous business relationship.
- Verbal subsidiary agreements deriving from the GTC do not exist. Agreements, particularly with the Supplier's representatives, deviating from the GTC in individual cases must be made in writing and are only binding with written confirmation by the statutory representative of the Supplier.

II. Offer and conclusion of the Contract

- Offers of the Supplier are always without engagement, i. e. they merely constitute a request to the Customer to give a legally binding offer. Contracts, even those at trade fairs or by our appointees, only are entered in accordance with Supplier's written confirmation of order and its receipt by the Customer. Supplier's advertising documents, brochures and information provided therein are not legally binding and, in particular, are subject to modifications and errors.
- Supplier reserves the title and copyright for figures, drawings and calculations as well as for other documents. This also applies to those written documents, which are referred to as confidential. Prior to its transfer to a third person, the Customer has to obtain the Supplier's written confirmation and the documents have to be returned upon request to the Supplier.
- The condition of the subject of the Contract is exclusively described in the Supplier's offers, confirmation of orders and the documents pertinent to them.

III. Deliveries and terms of delivery

- Supplier can not be held responsible for delays, if the Customer does not or not in time fulfils its obligation to cooperate, particularly taking care of magisterial authorization, implementation plans, documents for specification of the subject of the contract, clarification of all technical details, payment securities and down payments. If these obligations are not fulfilled in time, the delivery times will be extended accordingly plus an adequate starting time, unless the Supplier is responsible for the delay.
- If, after conclusion of the Contract, there are any indications that the rating of the Customer is endangered, e.g. default of payment, suspension of payment, request for insolvency proceedings, chattel mortgage of current assets, unfavorable information of banking establishments, credit institutions or credit insurers, the Supplier will be entitled to refuse its services and to withdraw from the Contract and/or to claim damages after unsuccessful appointment of a date for providing security in form of directly enforceable bank guarantee or advance payment. The appointment of a date will be omitted if the endangerment of the rating is evident.
- Binding delivery dates have to be agreed upon always in written form. In case of separable deliveries the Supplier is entitled to a partial delivery and in case of corresponding information to early deliveries.
- In case of call orders, an adequate delivery date is deemed to be agreed, which is at least six (6) weeks from the date of the call order. In case manufacturing or acceptance dates are not agreed, the Supplier can ask for a binding fixing of it at the latest three (3) months after confirmation of order. If the customer does not comply with Supplier's request within two (2) weeks after posting a written notice concerning this matter, Supplier will be entitled to set an additional respite of one (1) week and after unsuccessful expiration of that period Supplier will be entitled to claim damages and/or to withdraw from that part of the Contract which has not been fulfilled. The same applies when, after expiry of the delivery date, the subject of the Contract or parts thereof have not been received or have not been delivered due to a default of the Customer.
- Delays, arising out of the acceptance delays of the performed work at the agreed date on Customers side have to be notified to the Supplier at least one (1) week before the agreed date. In case the Customer defaults acceptance or culpably breaches other duties of co-operation, the Supplier shall be entitled to claim for damages caused thereby, including potential additional costs. Further claims or rights shall remain reserved.
- As far as circumstances, not caused by the Supplier, complicate, delay or make the fulfillment of orders taken impossible (Force Majeure), Supplier is entitled to postpone the delivery as the case may be the partial delivery or outstanding delivery for a period equal to the period of the obstruction or to withdraw fully or partly from the Contract without being in default with the particular delivery. Force Majeure includes particularly e.g. magisterial intervention, business disruption, strikes, lock out, interruption of work due to political or economic affairs, shortage of essential raw or working materials, shortage in materials, difficulties with the energy supply, transport delay due to traffic congestion or an inevitable event which affect the Supplier, his subcontractors or foreign companies, of which the operations of the plant of the Supplier is depending on. The antecedent is also valid if such events occur at a moment at which the Supplier is in default. The Supplier shall have the same rights if goods required for the order are not available, as the Supplier has not been delivered by their subcontractors, although the Supplier has concluded a matching cover transaction and the Supplier is not otherwise guilty on this. The Supplier shall be obligated to inform the Customer when one of the above-mentioned circumstances occurs, and, in case of withdrawal, to reimburse without delay any considerations already made by the Customer..
- Customer only can set an additional respite for delivery, if the agreed delivery date has been exceeded by more than two (2) weeks. This additional respite has to be adequate and last at least three (3) weeks. After unsuccessful expiry of the additional respite the Customer is entitled to withdraw from the Contract. Any claim for damages against the Supplier due to breach of duty shall be excluded within the scope of fig. VIII.

IV. Prices and payment terms

- Supplier's prices for delivery are "ex works" EXW pursuant to INCOTERMS 2010, exclusive packaging, shipping costs and all taxes, duties or levies payable under applicable law, unless otherwise agreed. The Customer is obligated to pay or reimburse the taxes, duties or levies that are imposed on the Supplier or his subcontractors.
- If, after conclusion of the Contract, any changes of the calculation base arise from higher labor and material costs, increase of statutory VAT or other circumstances, particularly technical based change in calculation, the Supplier will be entitled to increase the Contract price in an adequate percentage to the occurred change of the calculation base.
- Unless otherwise agreed, invoices shall be paid due net in the agreed currency within fourteen (14) days from date of invoice. The legal regulations regarding the consequences of default in payment shall be applicable. In case of default in payment by the Customer, the Supplier shall be entitled to stop contractual services until the Customer has settled the liabilities payable.
- Partial deliveries are charged at once and each of them are payable separately, irrespective of the completion of the total delivery.
- The Customer only is entitled to charge up against the Supplier, if the counterclaims are legally stated, undisputed or acknowledged by the Supplier. Furthermore the Customer is entitled to exercise a lien insofar as the counterclaim is based upon the same contractual relationship.

V. Retention of title

- The goods remain property of the Supplier until all claims against the Customer out of the business relationship have been fulfilled. With the conclusion of the contract the Customer authorizes the Supplier, on Customer's expense, to enter or announce the retention of title in the required form and in accordance with applicable national rules in public registers, books or similar documents. The Customer is obliged to give the Supplier any assistance to enable him to take all necessary measures to protect its property. If the Customer acts contrary to contract, particularly in case of payment delay, the Supplier is entitled to take back the goods. The Customer is obliged to surrender. By taking back the goods the Supplier does not cancel the Contract, unless the Supplier would have made expressly a written declaration thereof. The distress of the goods by the Supplier always means a cancellation of the Contract. After taking back the goods the Supplier is entitled for resale. The revenue is to be deducted from the liabilities - less adequate handling charges - of the Customer.

- The Customer is obligated to take care of the goods; particularly he is obligated to insure them sufficiently amounting to the replacement value at its own expense against water damages, fire losses and damages due to theft. Provided that maintenance and inspection operations are necessary, the Customer has to carry them out in time and at its own expense. A fundamental relocation of the goods requires the prior written consent of the Supplier.
- The Customer is entitled to resell the goods in a regular course of business; the Customer transfers to the Supplier all claims amounting to the grand total of the invoice (including VAT), which arise from the resale against third parties, irrespective of whether the goods have been resold without or with modifications. The authorization for collection of receivables also exist after assignment. The Supplier's authority to collect the claim by himself will remain unaffected thereof. But the Supplier commits not to collect the claims if the Customer fulfils its payment obligations with the collected sales revenues, the Customer does not fall behind with payment and particularly, there is no request for insolvency, composition or bankruptcy proceedings or suspension of payment. In these cases, the Supplier is entitled to request that the Customer discloses the conveyed claims and whose debtors, gives all necessary information for collection, hands out all corresponding documents and notifies the assignment to the debtors (third parties).
- The processing or transformation of the goods always is carried out on behalf of the Supplier. If the goods are processed with items, which are not owned by the Supplier, the Supplier will acquire a co-ownership share concerning the new item proportional to the value of the goods (invoiced final amount, including VAT) to the other processed item at the date of processing. The afore said also apply for items resulting due to processing of the goods.

VI. Passing of the risk

- The shipment of the goods is carried out by the Supplier "ex Works" EXW (INCOTERMS 2010) at the risk of the Customer. The same applies if the freight and other costs are at the expense of the Supplier. The goods are insured by the Supplier against transport damages only at the expressly written instruction and on account of the Customer.
- If pickup is agreed at the shipment of the Customer and not carried out within eight (8) days after the agreed date, the shipment will be carried out by the Supplier for account of the Customer using a type of shipment which seems to be economical to the Supplier.
- The risk passes with the handover of the customarily packaged goods to the Customer, the first freight carrier or the forwarding agent. This also applies for separate partial deliveries and if the Supplier has borne the forwarding charges.
- If the shipment is delayed by request of the Customer or in case of default of acceptance, the risk will pass with notice of readiness for shipment. In this case the storage of the goods is on behalf and at the expense of the Customer.
- Transport packaging, selling packaging, re-packaging and any other packaging according to the regulations about packaging will not be taken back, except pallets. The Customer shall be obligated to arrange the disposal of the packaging at its own expense.

VII. Liability for defects

- The Customer has to inspect immediately the goods according to § 427 and § 428 of the Commercial Code and to give immediately written notice to the Supplier of any visible defects, particularly obvious ones. This obligation to give notice also applies if defects become visible at a later time. Giving notice shall be regarded as immediately if it is performed within two weeks, with the timely sending of the notice being sufficient for fulfilling the time limit. If the Customer fails to notify the Supplier in due time in writing, the goods shall be considered accepted in relation to these defects. Any liability due to fraudulent conduct shall remain unaffected.
- If the goods have defects, the Customer will be entitled to choose supplementary performance in the form of a removal of defects or delivery of an object free of defects. Replaced, defective parts shall be returned to the Supplier and become the property of the Supplier. The Supplier is entitled to refuse the manner of the chosen supplementary performance, if it only is possible with disproportional costs. Place of performance is the delivering factory in each case. For removal of defects it is to give reasonable time and opportunity to the Supplier. The Customer has to grant to the Supplier access to the defective goods, including the disassembly and assembly, without cost to the Supplier.
- If the supplementary performance fails despite a repeated attempt, the Customer will be entitled at its choice to require cancellation or reduction of the purchase price. The cancellation is excluded if the breach of duty by the Supplier is insignificant.
- The limitation period for claims due to defects is twelve (12) months, beginning from the delivery of the goods. The limitation period for claims regarding spare parts is six (6) months, beginning from the delivery.
- Operational life times for wear parts, such as cutting punches, stencils, milling cutters, bearings, consumables, metering devices and needles, contact equipment, etc. are binding only when they have been assured in writing. The Supplier shall not be liable for defects caused by parts not supplied and delivered by him, modifications made without the written consent of the Supplier, excessive strain, improper tools and material, faulty or negligent treatment, repairs carried out by the Customer or third party in an inappropriate manner or for normal wear (especially wear & tear).

VIII. Liability for damages

- For damages to life, body and health, and in case of willful intent or gross negligence, the Supplier shall be liable in accordance with statutory provisions.
- For damages based on breach of fundamental contractual obligations due to slight negligence, the Supplier shall be liable according to statutory provisions, but limited to the amount of the contractually typical damage foreseeable when the contract was concluded. Fundamental contractual duties are the fundamental obligations resulting from the contract, whose fulfillment allows the contract to be properly executed, whose infringement endangers the fulfillment of the purpose of the contract, and on the compliance of which the Customer regularly relies and may rely. Claims for damages resulting from a breach of non-essential contractual duties in case of slight negligence shall be excluded.
- The Supplier shall not be liable for indirect damages (consequential damages) such as loss of production, loss of profit, recall costs, etc.
- An extended liability for compensation as provided in this fig. VIII is excluded, regardless of the character of the asserted claim. This is also valid to personal liability for damages of appointees, employees, assistants, agents and servants of the Supplier.
- As far as the UN Convention on Contracts for the International Sale of Goods (CISG) is applicable, the Supplier shall be liable for damages only when being guilty in this respect.

IX. Intellectual property rights

- The intellectual property rights concerning drafts, drawings, software, products, articles, equipments and any other new designed or developed items created by the Supplier or by third parties instructed by the Supplier, belong to the Supplier, even if the Customer has borne the expenses for this purpose.
- The Customer may use the provided drawings and plans from the Supplier only for the intended purpose. The Customer is not entitled to use the drawings and plans for any other purpose, particularly not for the reproduction of the supplies or parts of the supplies.
- The Supplier is not aware of any intellectual property rights of any third parties, which would restrict the use of the purchased good. The Supplier is not liable, if the delivered goods infringe any intellectual property rights in the country of destination.

X. Final Provisions

- Slovak law is applicable for these GTC, in particular the Commercial Code.
- The Supplier is entitled to process data received from the Customers for the purpose of the business relations according to the Data Protection Act, particularly to transfer the necessary data to the credit insurances.
- The assignment of claims against the Supplier to which the Customer is entitled due to the business relation, shall be excluded.
- Unless otherwise stipulated in the Supplier's order confirmation, place of performance is the Supplier's business location.
- The relevant court determined under the Court of Civil Proceedings shall be authorized to decide upon any claims arising out of the Contract and/or these GTC.
- If one of the preceding conditions is ineffective, the effectiveness of the regulations about acceptance and the Contract for the rest will remain unaffected thereof. Any clauses, becoming ineffective, will be replaced by new clauses, which achieve the equal economic success. As far as clauses have not become an integral part of the Contract, the subject matter of Contract insofar acts in accordance with the legal regulations.