

GENERAL STANDARD TERMS AND CONDITIONS for PALFINGER AG, Palfinger EMEA GmbH, Palfinger Europe GmbH, EPSILON Kran GmbH, Palfinger Marine GmbH and Palfinger CIS GmbH

Version: 2.1

Valid from: 2015/02/27

1. GENERAL:

1.1. PALFINGER AG, Palfinger EMEA GmbH, Palfinger Europe GmbH, EPSILON Kran GmbH, Palfinger Marine GmbH and Palfinger CIS GmbH, each of them hereinafter referred to as „PALFINGER“, work exclusively on the basis of these General Standard Terms and Conditions. They form an integral part of every contract and apply to all future business deals and agreements. Other general terms and conditions, which are contradictory, are expressly objected.

1.2. Supplementary agreements or amendments require for their validity written confirmation by the authorized representatives of PALFINGER in the name of PALFINGER.

1.3. The purchaser confirms to know the Code of Conduct published on www.palfinger.com, and declares to comply with its provisions.

2. OFFERS, PRICES, TERMS OF PAYMENT:

2.1. Quote prices and discount rates from PALFINGER shall apply only to the individual order in question. Unless otherwise explicitly agreed in writing, prices are quoted in Euro, net, ex works and exclusive of value added tax (VAT), packaging, delivery and discount. Prices quoted are subject to possible price increases as a result of higher production cost, increases in customs duties, changes in official exchange rates or other cost changes. Such price increases shall be borne by the purchaser and may not be cited by the purchaser as grounds for rescinding the contract.

2.2. Offers from PALFINGER are subject to change and are not binding. The purchaser in question shall be bound to contract concerning offers or orders for a minimum period of 30 days.

2.3. PALFINGER is entitled to hold delivery until full payment of the total purchase price has been made.

2.4. Outstanding accounts from PALFINGER are due upon presentation of invoice. In the event of delayed payment, the purchaser is obliged to pay interest on arrears at a rate which is 8% higher than the valid

„rediscount-rate“ of the Austrian Nationalbank. PALFINGER has the right to send invoices to the purchaser electronically.

2.5. In the event of delayed payment, the purchaser is obliged to relay in full all reminder expenses, costs and cash outlays with respect to the collection of the purchase price. PALFINGER may not under any circumstances incur costs of any nature in the collection of outstanding accounts.

2.6. The practice of right of retention or setoff of counterclaims shall not be reserved for the purchaser. In particular, warranty or guarantee claims may not serve as reason for the retention of payments due.

3. RIGHT OF OWNERSHIP:

3.1. PALFINGER shall deliver the products „ex works“ (EXW) according to the Incoterms 2010. The respective place of delivery is the place of fulfilment. The loading of the products upon the transport means to be provided by the purchaser shall be carried out by PALFINGER at the risk of the purchaser. Stock keeping of the products contained in the contract in storage yards owned by PALFINGER as well as in those of third parties shall be carried out at the risk of the purchaser.

3.2. Goods delivered shall remain the property of PALFINGER until complete payment of the purchase price including all additional charges, interest and costs has been made. In the event of an existing current account, ownership shall not pass until all demands as named herein are settled and the total balance from the outstanding account is repaid.

3.3. The resale of goods under retention of title shall only be permissible given upkeep of retention of title. In this case, the purchaser shall relinquish all rights from, this resale (charge of purchase price, retention of title, etc.) to PALFINGER. At the request of PALFINGER, the purchaser shall be obliged to forward all documents pertaining to the resale and to immediately render account or accounts outstanding.

3.4. In the event of assertion of retention of title, PALFINGER shall be entitled to collect the goods without further agreement and to initiate all necessary measures hereto.

4. WARRANTY/LIABILITY:

4.1. The period of warranty shall be 12 months from the date of delivery to the final customer. Warranty is expressly excluded for irregulars or second hand goods.

4.2. PALFINGER shall endeavour to adhere exactly to delivery and finishing dates. The purchaser is, however, also obliged to receive the goods upon delivery date. If delivery is more than one month late,

the purchaser has the right to rescind the contract after an additional 8-week period.

4.3. The purchaser is obliged to make an immediate and thorough inspection of goods delivered. Any defects thus discovered shall be reported immediately by telephone and registered letter. Should the purchaser not meet this obligation within the time stipulated or in a thorough manner, then a warranty claim for such defects is invalid. The same legal implications also apply for defects occurring at a later date whereby PALFINGER shall also be notified by telephone and registered letter. All warranty claims shall be invalidated if alterations to the goods are made by third parties or if extraneous parts are fitted. Warranty claim are only valid given that the purchaser completely follows all instructions from PALFINGER concerning handling of the merchandise. A further condition is proper use and storage on the part of the purchaser, for which the purchaser shall be obliged to provide proof in the event of dispute.

4.4. In the event of a warranty claim the purchaser is obliged to allow a period of at least 6 weeks for rectification's to be made. Claims for price reductions or cancelling the sale may only be made given that all attempts at rectifying the goods within the above-mentioned period are without success. The purchaser is obliged to support PALFINGER, where it is practicable, in the implementation of its warranty obligations and to observe all directives from PALFINGER thereby. Place of fulfilment for warranty claims is Salzburg.

4.5. Natural wear and tear and damage attributable to negligence, improper handling and accident are strictly excluded from warranty cover. Warranties cease to exist in the event of resale or forwarding to third persons, even within the warranty period.

4.6. PALFINGER shall not be liable for damages to property due to ordinary negligence (*culpa levis*), but only for damages due to gross negligence or intention. A liability of PALFINGER for consequential damages of any kind is fully excluded. In the event of unavoidable events of force majeure such as work stoppages, strikes, shutdowns, transport problems, etc. PALFINGER may cut deliveries accordingly or withdraw from the contract altogether without the purchaser being entitled to claims for damages. In the event of such temporary disruptions, PALFINGER shall be entitled to effect delivery within a given time period after the disruption is over.

4.7. If the defect is rectified by PALFINGER, there shall be no extension of the originally agreed warranty period of 12 months. Only if original replacement parts are exchanged the warranty period for these parts shall begin at the date of delivery.

4.8. No warranty claims concerning damage to operative items owned by the company may be made. The goods shall be procured or hired by the purchaser within his function in his company.

4.9. The products provides safety only in areas where it can be expected, based on the careful and thorough observation of registration regulations, operating instructions, instructions from the supplier plant or company on handling and also with respect to stipulated inspections or any other advice. The purchaser shall not be permitted to set forth the goods in a manner whereby further expectations of safety could arise.

4.10. Data provided in specifications on performance, weights, operational costs, speeds etc. are to be considered approximate values and are thus not binding.

5. ACCEPTANCE/DEFAULT IN ACCEPTANCE:

5.1. Should the dispatch of the goods or completion of work be delayed by circumstances on the part of the purchaser, then the goods shall be stored at his risk and expense. Storage payment of double the normal amount of usual licensed warehousing in the region is agreed. Work shall be discontinued until such a time as the purchaser pays the whole purchase price including subsidiary demands. The purchaser shall have no right to damages resulting from such a delay. He shall repay the additional costs thus accrued before work is again resumed.

5.2. In the event of default in acceptance or the warehousing of the goods by PALFINGER, the purchaser shall forfeit his right to dispatch. He shall only have a right to recovery of the goods upon payment of all outstanding accounts, in particular, total warehousing costs. Default in acceptance may also arise if there are grounds to doubt the credit worthiness or capacity to pay of the purchaser.

5.3. In the event of non-performance on the part of the purchaser, for whatever reason, PALFINGER shall be entitled to demand a cancellation charge of 20% of the gross value of the goods.

6. JURISDICTION:

The competent Court in the City of Salzburg shall be the venue for all legal disputes arising from business relations between the parties to the contract.

These General Standard Terms and Conditions and the contractual relationship between the parties shall be governed by the substantive laws of Austria excluding the UN sales convention and excluding the regulations of the international private law.