

Standard Terms of Sale PRO-MED AG

I. Applicability

Our company's deliveries, services and offers are transacted exclusively on the basis of these Commercial Terms. We do not recognise any terms of the customer which differ or diverge from our Commercial Terms, unless we have expressly agreed to their applicability in writing. Acts of contract fulfilment on our part do not therefore constitute consent to contractual terms different from our own. These Commercial Terms shall be applicable to all further legal transactions between the contracting parties.

II. Conclusion of the contract

A contract with the customer only comes about when an order confirmation or the goods are dispatched to the customer. If offers are addressed to us, then the offering party shall be bound thereby for an appropriate period of time not less than eight days from receipt of the offer.

III. Price

All prices quoted by us, unless otherwise agreed in writing, are exclusive of VAT and are ex works. Should labour costs change due to sectoral or inter-corporate collective bargaining agreements or should other cost factors relevant to cost calculation or costs needed for performance of service, such as materials, energy, transport, third-party work, financing, etc change, then we are entitled to raise or reduce prices accordingly.

IV. Payment terms, arrears interest

In the absence of written agreement to the contrary, our receivables must be paid in cash upon delivery or preparation of the goods for pickup. Cash discounts require separate written agreements. In case of arrears in payment, including in instalments, any cash discount agreements made lose their applicability. Payments by customers are only considered to have been made when they have been lodged to our commercial account.

In case of payment arrears on the part of the customer, we are entitled, at our discretion, to demand compensation for damage actually incurred from arrears or to charge interest on arrears in the amount of 10 % above the national secondary market yield according to the monthly statistical bulletin of the Austrian National Bank.

V. Right to cancel the contract

In case of delay in acceptance (item VII) or other important reasons such as, in particular, bankruptcy of the customer or bankruptcy discharge for lack of assets, as well as in case of payment arrears on the part of the customer, we are entitled to cancel the contract, if it has not yet been completely fulfilled by both sides. In case of cancellation and fault on the part of the customer, we have the choice of demanding lump-sum compensation of 15 % of the gross invoiced amount or compensation for the damage actually incurred.

In case of payment arrears on the part of the customer, we are freed of any further obligation to service or delivery and entitled to withhold any deliveries or services still outstanding and to demand prepayments or security or to cancel the contract after setting an appropriate deadline for fulfilment. Should the customer cancel the contract, without being entitled to do so, or should the customer demand its rescission, then we have the choice of insisting on fulfilment of the contract or agreeing to rescission of the contract; in the latter case, the customer is obligated, at our discretion, to pay lump-sum compensation in the amount of

15 % of the gross invoiced amount or the damage actually incurred.

VI. Reminder and collection fees

In case of payment arrears, we are entitled to charge the customer for reminder expenses incurred in the amount of EUR 15,- per 1st reminder and EUR 30,- per 2nd reminder issued. After a reminder has been issued, we are entitled to commission a collection agency whose costs the customer must compensate us for up to maximum amounts in the Ordinance of the Federal Ministry of Economic Affairs, Federal Law Gazette 1996/141 in the currently applicable version.

VII. Delivery, shipping, delay in acceptance

Our sales prices do not include any costs for delivery. Where requested, such services are then performed or arranged for for a special fee. In that case, for shipping or delivery the actual costs are billed together with an appropriate administration cost markup which shall not be less than the conventional freight or haulage rates of the type of shipping chosen, applicable on the day of delivery. Upon dispatch, at the latest upon surrender of the goods to the customer or the latter's agents, risk for the goods shall pass to the customer.

If, in connection with delivery, fees, taxes or other charges (e.g. customs, shipping insurance) are charged, then they shall be borne by the customer.

If the customer has not accepted the goods as agreed (delay in acceptance), then we are entitled, after the lapse of an additional deadline set, to either store the goods on our own premises, for which we charge a storage fee of 0.1% of the gross invoiced amount for every day commenced, or to have them stored at the expense and risk of the customer with a duly authorised warrantor. We are at the same time entitled either to insist on fulfilment of the contract or, after setting an appropriate deadline of at least two weeks, to cancel the contract and to dispose of the goods elsewhere.

VIII. Delivery deadline

We are only obligated to complete service when the customer has complied with all obligations required for carrying out the order, in particular when it has fulfilled all technical and contractual details, preliminary work and preparations. We are entitled to exceed the agreed deadlines and delivery dates by up to two weeks. Only after the end of that period may the customer cancel the contract, after setting an appropriate second deadline.

Compliance with agreed delivery dates applies with reservation made for circumstances which were unforeseen or independent of the will of the parties, such as, inter alia, in the case of force majeure: this shall include military events, interventions and prohibitions by public authorities, delay in shipping and customs clearance, shipment damages, shortage of energy and raw materials as well as labour disputes. The aforementioned circumstances also entitle to an extension of the delivery deadline if they have occurred at sub-suppliers.

Should dispatch of goods ready to ship not be possible without any fault on our part, or if not wanted by the customer, then we may undertake storage of the goods at the expense of the customer, in which case delivery is considered to have been completed.

IX. Place of performance

Place of performance is A-4020 Linz.

X. Minor changes in performance

Minor changes in our obligations to performance or delivery, or other changes which the customer can reasonably be expected to accept, are considered to have been approved of in advance.

XI. Warranty, duty to inspect and notify defects

We satisfy warranty claims on the part of the customer in case of faults capable of remedy, at our discretion, either by exchanging or crediting. Damage claims on the part of the customer intended to remedy the fault may only be made if we are in delay in satisfying warranty claims.

Unless provided otherwise, in the terms of Arts 377 f of the Commercial Code, the goods must be inspected immediately upon delivery, at the latest within two working days. We must be notified immediately in writing, at the latest within two working days of discovery, of defects detected, including information on the nature and scope of the defect. Hidden defects must be complained of immediately, at the latest within two working days after being discovered. If written complaint of defects is not raised, or not raised in time, then the goods are considered to have been accepted.

XII. Damage compensation

All damage compensation claims are barred in cases of slight negligence. Whether slight or gross negligence obtains, provided it is not a question of a consumer transaction, must be proved by the party damaged. All damage compensation claims must be pressed in court within a period of six months from passing of risk, failing which they lapse. Provisions contained in these Commercial Terms or otherwise agreed on damage compensation shall also apply if the damage compensation claim is made in addition to or in lieu of a warranty claim.

XIII. Product liability

Recourse claims in the terms of Art 12 of the Product Liability Act shall be barred, unless the party entitled to recourse can prove that the error occurred in our sphere and, at least, resulted from gross negligence.

XIV. Retention and exertion of ownership title

All goods are delivered by us with ownership title retained and remain our property up through complete payment of all of our claims on the customer. Our exercise of retained ownership title is only a cancellation of the contract if such has been expressly declared. In case of retaking of goods without fault on our part, we are entitled to off-set shipping and handling expenses incurred. In case of seizure of the retained title-goods by third parties, in particular in case of garnishment, the customer obligates itself to make reference to our ownership title and to inform us immediately. The customer bears full risk for the retained title-goods, in particular for the risk of demise, loss or deterioration.

XV. Cession of claims

In case of delivery with retention of ownership title, the customer in advance assigns to us its claims on third parties,

provided that the latter have arisen from disposal or processing of our goods, up until final payment of our claims, pending full discharge of debt. The customer must, upon our demand, identify its buyers and inform the latter of such assignment in good time. The assignment must be made clear to the buyer in commercial records, delivery tickets, invoices, etc. If the customer is in arrears with its payments to us, then incoming sales revenues must be separated at the customer's, and the customer shall only be in possession of the same on our behalf. Any claims on an insurer must be assigned to us in advance within the restraints of Art 15 of the Insurance Agent Act. Claims on us may not be assigned without our explicit consent.

XVI. Retention

The customer is not entitled, in case of justified complaints, and except in case of a reversed transaction, to retention of the entire gross invoiced amount, but only entitled to retention of an appropriate portion thereof.

Setting off of the customer's claims against our claims is only possible if the customer's claims have been adjudicated with legal effect or have been recognised by us in writing.

XVII. Data protection, change of address and copyright

The customer grants its consent to having personal data contained in the purchase contract stored and processed by us with the aid of computers in fulfilment of this contract. The customer is obligated to inform us of changes of its residential or commercial address until such time as the contractual business has been completely fulfilled by both parties. Should notification of this not be made, then declarations shall be considered to have been received if they have been sent to the last address notified.

Drawings, sketches and other technical documentation as well as samples, catalogues, prospectuses, illustrations and so forth remain our intellectual property at all times; the customer shall not derive any rights of use or commercialisation of whatever kind thereto.

XVIII. Applicable law, forum of jurisdiction, miscellaneous provisions

Austrian law shall be applicable. The applicability of UNCITRAL law is expressly barred. The contracting parties agree on the application of Austrian law and the exclusive jurisdiction of the court having jurisdiction in the matter in Linz.

Any dispensation from the requirement of written form in these present Terms can in turn only be made in writing, implied dispensation resulting from tacit action is consequently not possible. In case individual provisions of these Terms should be void, the validity of the remaining provisions shall not be affected thereby. The contracting parties are obligated to agree a regulation of the matter most closely approximating the purpose of the void provision.

PRO-MED Medizinische Produktions- und Handels-AG
Version: June 2002

I hereby confirm with my signature that I have read the Standard Terms of Sale and have taken note of their contents.

Date

Customer's signature