

GENERAL TERMS OF BUSINESS

0. These General Terms of Business do not apply to consumers in respect of the Consumer Protection Act.

I. General Provisions

1. The goods and services as well as proposals, consultations and other additional services shall take place on the basis of the following business conditions. The purchase or business conditions of the buyer or partner are hereby excluded. They shall therefore not be recognised and will be rejected even if not expressly rejected on further submission. On the receipt of our goods, our conditions shall apply as per agreement.
2. Our offers in respect of price, quantity, delivery times and means of delivery are, in accordance with this offer, binding as indicated, respectively for a period of maximum 30 days from the placing of the offer. In case of doubt, they shall only be interpreted as guidelines for the contracting partner for submitting an offer. In as far as our goods and services appear in trade descriptions such as brochures or other similar material, these do not give rise to assurances of the veracity of the descriptions contained therein.
3. With regard to any data obtained in the context of a business relationship with a buyer or a third party, we are entitled to retain and use the said data in accordance with the Data Protection Act. The customer is obliged to make known to us any change in their residential or business address for as long as the contractual subject matter of the legal transaction has not been completely fulfilled by both parties. Should a failure to convey this information occur, any material shall be deemed to have been received, in the case of it having been sent to the last known address.

II. Prices

1. In the absence of any other agreements all our prices shall be in Euros inclusive of packaging plus the legally mandatory taxes. With regard to call-off orders the price list valid at the time of delivery is binding.
2. Should a price increase occur between the signing of the contract and the delivery, the buyer may cancel the order within 14 days from communication of the price increase. This right to cancel does not apply when the price increases are based exclusively on increases in freight rates as well as increases in statutory taxes or other official taxes.

III. Terms of Payment, Interest on Arrears

1. Should no other agreements exist, payments are due immediately after the date displayed on the invoice. Discounts require special agreement, whereby, with regard to the calculation of time allowed, the day the money is receivable is for us the significant day. Payments through bills of exchange are excluded from discounting. Furthermore, demands for discounts are not possible when previously due invoices have not been paid yet.
2. Every payment received shall be initially used to cover all unpaid expenses and thereafter to cover interest costs as well as the oldest items of debt.
3. With regard to bills of exchange, discounts and bank expenses as well as stamp duty and any necessary handling fees, these shall be charged to the buyer. The receipt of bills and cheques only occurs in respect of performance, whereby no guarantee can be given for prompt presentation and objections raised.
4. Set-off or retention can only be asserted by the customer when the demands faced have been indisputably or judicially identified.
5. Should circumstances be made known to us which indicate a well-founded doubt as to the further inability of the customer to pay or should agreed periods allowed for payment be transgressed, we may demand payment in advance and revoke given periods for payment. In the case of delay we are, as agreed, entitled to interest on arrears calculated at a rate 4% above the established reference interest rate at the time, reckonable on the original amount of the invoice.

IV. Delivery and Receipt

1. Should failure to take receipt of the goods within the terms agreed occur (default acceptance) we are entitled, in the event of a failure of an extension to the deadline to either store the goods at the customer's own expense or to take back the said goods. At the same time we are entitled either to insist upon fulfilment of the contract or, after setting adequate additional time, to withdraw from the contract and to make use of the goods in another way.
2. In as far as we have agreed delivery terms the time limit begins to run first with the final signing of the contract as well as the full clarification of all contractual details. The buyer acquires legal rights arising out of late delivery first after the setting of an adequate extension of time.

3. Should there be non-performance or a delay in delivery, our liability is restricted to the invoice value of the goods which are not delivered or which are not delivered promptly. Should the buyer for his part be in arrears with payments falling due or because of the fulfilment of other contractual duties, our delivery deadlines will be suspended.
4. The interruption of operations, late deliveries or failures on the part of our suppliers, also lack of raw materials, power or labour, strikes, lock-outs, difficulties in obtaining means of transport, unexpected traffic disruptions, official acts or other circumstances beyond our control, exempt us for the duration of the disruptions, in respect of the entire effects, from the obligation of delivery and reception. Should we, through no fault of our own and for important reasons, not be in a position to deliver at the latest one month after the delivery time, we shall be entitled to withdraw from the contract.

V. Dispatch

1. The dispatch of our goods takes place, in the absence of any other agreements, completely at the cost and risk of the buyer. Should no particular agreements have been reached with regard to the means of dispatch and the dispatch route, these shall be determined in accordance with our business practises. If possible, the delivery of ordered goods shall be effected in one consignment, otherwise, in accordance with our business practises, partial delivery may be undertaken. If the dispatch cannot take place for reasons which are not our responsibility, risk liability passes to the customer from the date of dispatch-readiness.
2. In principle, no special transport insurance is taken out in respect of the dispatch of goods. However, insurance coverage can be arranged at the request and expense of the customer.

VI. Warranty

1. The customer shall immediately undertake an examination of the delivered goods in respect of quality, characteristics and purpose of use. If necessary, the customer shall carry out a trial processing procedure. Failure to do so, does not give rise to any liability on our part.
2. As the products may be used and processed in differing ways, any recommendations issued by ourselves in respect of the said use and processing shall only be considered to be general guidelines. Details on consumption for certain purposes correspond only to an average empirical value.
3. The customer shall report any complaints with regard to quality and/or quantity within 14 days after the date of delivery, including details of the order date, invoice number, dispatch number, and batch number. Obvious defects shall be reported within 14 days, hidden defects immediately on discovery or at the latest six months after the delivery of the goods.
4. With regard to Notices of Defects, rendered in accordance with the regulations and which are justifiable, a discount, repair, exchange or return of the goods with a reimbursement of the purchase price shall be provided. The appropriate option shall be selected by ourselves according to our commercial practises.
5. Customer claims for compensation for damages arising from defective goods or for a violation of collateral obligations are excluded in as far as this is permitted by law. In particular, liability is excluded in relation to simple negligence. Furthermore, no liability for damages (consequential loss) arises from the practical use or application of the company's goods. Whilst the company complies with proof of quality assurance standards according to DIN, ISO 9001, 9002, 9003, ÖNORM, EN regulations or other special regulations, attention should be brought to bear on the fact that a standardised QA system cannot exist and therefore no liability can arise in relation to the use of our goods. In particular, there is no liability in respect of damage to third parties (property or injury to the person).

VII. Retention property rights and preventive retention of goods

1. The title in goods supplied under this contract shall not pass to the customer until they have been paid in full but shall remain the sole property of M. Swarovski Gesellschaft m.b.H.. Property also includes newly created products obtained through the processing of reserved goods. Should any goods be legally transferred into third party ownership as a result of the admixing, incorporating or blending of goods, this shall be deemed co-ownership by agreement. The retention of property rights only results in the rescission of the contract if this is expressly stated. In the case of goods being taken back we reserve the right to charge the customer for any transport and handling costs incurred. In so far as the customer processes or keeps goods belonging to ourselves, this does not give rise to any claims against us.
2. With regard to goods and retention of property rights, the customer herewith assigns all claims against third parties, including claims under a bill of exchange or cheque, in as far as these arise from the sale or processing of goods belonging to ourselves until full and final payment has been made in respect of our claims. The customer shall disclose his customers' names upon demand by ourselves and shall notify them promptly of the assignment of rights. Should the customer fall into arrears with payment, the incoming sales revenue shall be separated and the title shall pass to us. Should goods be processed under a contract for works and services, with regard to unsettled claims, the customer's existing claim for company earnings shall be assigned at a level proportionate to the amount of our invoice inclusive of any taxes incurred.

3. The customer is at liberty during the ordinary course of business to have at his disposal the goods which are in our property. He thereby guarantees a readiness and ability to properly fulfil his obligations to ourselves. On seizure by a third party of reserved goods (distrain, sequestration) the buyer undertakes to indicate all property belonging to ourselves, to report back without delay and to safeguard our intervention claims on our behalf.
4. Business relations between the contracting party and ourselves shall be subject to Austrian law. The applicability of the U.N. Sales Law is expressly excluded. The wording of the contract shall be in German. The place of performance and the place of jurisdiction with regard to all rights and obligations shall be the Head Office of our company. With regard to active complaints, either the customer's general place of jurisdiction or the Court of Arbitration of the ICC- Vienna shall be acceptable.

VIII. Miscellaneous Provisions

1. The customer guarantees upon signing the contract that he has the requisite credit-worthiness and is able to fulfil all obligations arising from the agreement. In the case of commercially justifiable concerns, we reserve the right to demand payment in advance or to make the delivery of goods dependent on the provision of a suitable security bond.
2. Any technical documents made available as well as samples, catalogues, prospects, diagrams and the like shall remain at all times the intellectual property of the company. Under no circumstances does the customer obtain any rights of use. Each amendment or passing on without our express agreement is prohibited.

Amstetten, January 2015