

1 Validity and deviations

- 1.1 The following terms and conditions shall apply for all current and future contracts between the client and Arsenal Railway Certification GmbH.
- 1.2 Terms and conditions in the current amendment also apply to future contracts between the business partners even if it is not referred to once more.
- 1.3 Deviations from these conditions, in particular the conditions of the client, shall apply only if we have expressly acknowledged and confirmed them in writing.

2 Quotations

- 2.1 Unless indicated otherwise, the quotations from the engineering company shall be non-binding with regards to all indicated details, including the fee.
- 2.2 If a contract confirmation from the engineering company contains modifications to the contract, these shall be considered approved by the client unless the client promptly indicates otherwise in writing.
- 2.3 Agreements must in principle be in writing.
- 2.4 Any permits by authorities or third parties necessary to fulfil the contract have to be obtained by the client who is obliged to inform us accordingly and eventually has to hold us free of harm and claim. We are not obliged to start works before such permits have been validly granted and evidenced to us.

3 Awarding of contract

- 3.1 Nature and scope of agreed services shall be based on the contract, power of attorney and these general terms and conditions.
- 3.2 Contract modifications and additions shall require written confirmation by us in order to become part of the contractual relationship.
- 3.3 We shall fulfil the awarded contract properly and in accordance with generally recognised good engineering practice and the principles of sound financial management.
- 3.4 We are obliged to fulfil the constant warning and information obligations about essential matters towards the client.
- 3.5 Arsenal Railway Certification GmbH may enlist other authorized persons to fulfil the contract if they fulfil all necessary conditions (e.g. according to the accreditation, notification, railway law etc.) and place orders with them on behalf and for the account of the client. We are however obliged to inform the client of this intention in writing and grant the option of rejecting this order placement with third parties within 10 days.

4 Prices

- 4.1 Price offers will be binding when we have confirmed them in writing indicating the scope of supply. Any supplies or services exceeding such scope of supply may be invoiced separately.
- 4.2 Prices are based on the costs at the time of publication. We are entitled to adapt the prices if the order deviates from the offer or if the costs have changed till the day of supply.
- 4.3 In addition, we are entitled to invoice additional costs caused by delays which are not our fault, especially when it comes to clarification of technical or legal prerequisites for the supply or because of extra hours, night or Sunday works requested by the client.

5 Delivery

- 5.1 The delivery terms according to the order confirmation starts with the latest of the following dates:
 - Date of order confirmation;
 - Clarification date of all technical and legal prerequisites by the client.
- 5.2 We are authorised to upfront supply and partial supply and invoicing. Provided that the deviation does not exceed or fall below 10% of the total quantity, the client is obliged to accept those excess or minor deliveries at the aliquot calculated price.

- 5.3 In case of delivery delay caused by us, the client is entitled to withdraw from the contract within a reasonable period of grace of at least 4 weeks. The grace period starts with the day of receiving the withdrawal declaration which is to be submitted by registered mail. Compensation claims of the client because of delayed delivery or in case of contract withdrawal are excluded as far as legally allowed.
- 5.4 In case a penalty is declared for delivery delays the following applies: In case of delay evidently caused by our gross negligence, the client is entitled to claim 0.5% of compensation per week, not exceeding a maximum of 5% of the invoiced amount of the concerned delivery or service which cannot be used because of delayed supply provided the client evidently suffered damage in this amount. Any further compensation claims by the client are excluded.
- 5.5 Any additional services not included in the order confirmation however necessary to fulfil the contract have to be provided by the client at his cost.
- 5.6 Any materials to be provided by the client and documents necessary for our work no matter of which kind, shall be provided to us free of charge. Our receipt confirmation does not confirm the correctness of the delivered materials and amounts.
- 5.7 Any provided manuscripts, originals, drafts, sketches, samples and other remain with us and will not be returned after project end.

6 Fees, scope of services

- 6.1 Unless stated otherwise, all fees shall be in euros.
- 6.2 VAT (turnover tax) shall not be included in the fee amounts and shall be paid separately by the client.
- 6.3 Compensation with counter-claims, for whatever reason, shall be inadmissible.
- 6.4 The invoice including tax is to be paid within 30 days of issue unless stated otherwise.
- 6.5 In case of partial invoices the indicated amounts are to be paid accordingly upon invoice receipt. This also applies to amounts which occur due to subsequent supplies or other agreements going beyond the original contractual amount, independently of the payment conditions of the main contract.
- 6.6 Payments are to be made by bank withdrawal (debiting) or in time without deductions, free at our payment address in currency stated in the invoice. Payment day is deemed to be the day of crediting at our address or bank.
- 6.7 The client is not entitled to withhold payments because of guarantee or other claims or to make counterclaims. Compensation with any counterclaims is not accepted for whatever reason.
- 6.8 If positions are disputable at the due date of an invoice, the client must not withhold the amount related to the undisputed part.
- 6.9 If the clients' payment or other services are delayed especially in sense of items 2.4 and 5.5 we may
 - postpone the performance of our obligations until receipt of the delayed payments,
 - make use of an adequate extension of the delivery time,
 - invoice the total amount still open (immediate maturity) and invoice costs for reminding of € 10,00 (second reminder) and € 40,00 (third reminder) as well as upon due date an interest rate of 9,2% above the actual basic interest rate or
 - withdraw from the contract in case of no adequate grace period,
 - invoice in any case any costs prior to litigation such as reminder costs and legal advice.
- 6.10 Rebates, discounts or bonus depend on the complete payment in due time.
- 6.11 All services remain our property until all our claims out of the mutual legal transactions are fully liquidated including interest and capital.

7 Warranty

- 7.1 In accordance with the following regulations we are obliged to remedy eventual defects during the two year warranty period of the items supplied if they have already existed at the time of delivery and are based on defective design or manufacturing by us.
- 7.2 Warranty is only granted if the client immediately reports the defect in detail and in writing. This particularly applies to defects in case of service contracts. Defects on partial supplies must not result in claiming the whole delivery. In case of justified claims it is within our discretion to either replace or improve the defective part or supply, to have the defective part sent to us or grant adequate price reduction. From the moment of failure detection by the client any further disposition concerning the supply is not allowed without our explicit agreement. If the customer nevertheless does, he waives any warranty claims against us. Warranty claims can only be raised by a written registered complaint within 14 days from delivery or partial delivery.
- 7.3 Warranty claims may only be lodged after notification of deficiencies. These claims must be submitted exclusively by registered letter within 14 days of service or part service provision.
- 7.4 Claims to cancellation of sale and price reductions shall be excluded. Claims for improvement and/or amendment of the deficiency must be met by the engineering company within a reasonable period; this period should in principle be one third of the agreed period for fulfilment of the service. Damage claims caused by delay cannot be invoked within this period.
- 7.5 Arsenal Railway Certification GmbH provides the accredited services with the care expected of an accredited body and specialist (Austrian General Civil Code [ABGB], Section 1299).
- 7.6 If our service is based on construction plans, drawings, models or other specifications of the client, our liability is limited to the realisation according to those conditions.
- 7.7 Reporting defects do not release the client from the payment obligation.

8 Compensation and Liability

- 8.1 As far as not stated otherwise in these conditions our liability is limited to those damages appearing at the service object. Any further compensation especially with regards to consequential harm is excluded unless in case of gross negligence.
- 8.2 The client has to inform his clients of our liability limitation who in their turn are obliged to pass it on to the end-user in order to ensure the validity of our liability limitation up to the end-user.
- 8.3 If penalties are agreed, any further claims for any reasons are excluded.
- 8.4 Liability of the supplier expires 3 years after service completion.
- 8.5 Liability for consequential damages and lost income shall also be excluded in case of gross negligence unless arranged otherwise in individual cases.

9 Withdrawal from contract

- 9.1 Withdrawal from the contract shall only be permitted for cause.
- 9.2 In case of service delay of Arsenal Railway Certification GmbH it shall only be possible for the client to withdraw after an agreed reasonable grace period; this grace period must be set by means of a registered letter.
- 9.3 Provided that the delivery is delayed due to gross negligence despite appropriate, written grace period (5.3), the client is entitled to withdraw from the contract.
- 9.4 Apart from the mentioned cases we are especially entitled to withdraw from the contract completely or partly if the following applies:

- Service delivery, start-up or continuance are not possible or further delayed despite grace period due to client responsibility,
 - Bankruptcy proceedings are instituted or denied due to insufficient assets to cover costs
- 9.5 In case of reasonable contract withdrawal by the client, the so far delivered services are to be compensated by the client.
- 9.6 Events of force majeure affecting us or one of our sub-suppliers entitle us to interrupt the delivery for the duration of the impediment and to an adequate period of restarting or to correspondingly withdraw from the agreement partially or completely. In case shipment is delayed for more than three months because of force majeure, the client is entitled to withdraw from the affected part of the delivery by registered mail within two weeks. Events of force majeure are as follows without restriction:
- All impacts of natural elements such as earth quakes, lightning, frost, storm, floods;
 - Furthermore war, laws, official acts, seizure, destruction of transports, export-, import- and transport prohibitions, international payment restrictions, raw material and energy drop out;
 - Operation interruptions such as explosion, fire, strike, sabotage and all other events only to be prevented at inadequate costs and means.
- 9.7 If we are entitled to contract withdrawal, it shall retain the right to claim the entire agreed fee, including in case of unjustified withdrawal by the client. ABGB, Section 1168, also applies; in case of justified withdrawal by the client, the client must remunerate the engineering company for the services provided.

10 Impartiality and independence

- 10.1 The client has to ensure the independence of staff used by us. This especially applies to offers for consulting or jobs as well as orders on own account.
- 10.2 In order to keep impartiality, we don't do consultancies for projects which are part of an order.

11 Confidentiality and data protection

- 11.1 We are obliged to commit secrecy on all information by the client through the data protection act 2000. All confidential information relating through the job will not be published to third parties without written authorization, unless we are obliged to by law.
- 11.2 We are also obliged to commit secrecy on our activities if the client has a legitimate interest. After contract completion we are entitled to publish the related project completely or partially as long as not stated otherwise.

12 Industrial property rights and copy right

- 12.1 We shall retain all rights and uses regarding documents created by us.
- 12.2 Any use (in particular processing, execution, reproduction, distribution, public display, provision) of documents or parts thereof shall only be permitted with the express approval of the engineering company. All documents must therefore be used only for the purposes expressly determined when the order is placed or through a subsequent agreement.
- 12.3 We are entitled and the client is obliged to indicate our name (company, trade name) in publications and announcements about the project.
- 12.4 The client is obliged to keep us free of harm and claim with regards to all claims from third parties for violation of copy rights, creative services, other industrial property rights or personality rights made against us. We keep the right of third party notice to the client in case of litigation against us. In case the client does not intervene as joint party on our side we are entitled to recognize the claim.

13 Place of jurisdiction and governing law

- 13.1 It is agreed firstly to conduct an extrajudicial mediation process in case of disputes.

General terms and conditions of Arsenal Railway Certification GmbH

23.01.2017 | Page 3 of 3



13.2 It is agreed that all disputes arising from this contract shall be the responsibility of a competent court at the location of the registered offices of the engineering company. This contract is subject to Austrian law excluding the rules of renvoi.

14 Place of fulfilment

14.1 Unless indicated otherwise, the place of fulfilment for all company services shall be Vienna.