

GENERAL TERMS & CONDITIONS OF SALE of Armstrong Metal Ceilings Ltd.

1. Scope

These General Terms & Conditions of Sale (hereinafter the "**General Terms & Conditions**") apply (subject to future amendments) to all offers Armstrong Metaldecken AG (hereinafter "**Armstrong**") submits to its customers (hereinafter the "**Customer**") and to all purchase contracts for Armstrong products concluded with them. The Customer may request Armstrong to amend these General Terms & Conditions. However, Armstrong shall not be deemed to have accepted any further-reaching obligations unless such acceptance has been expressly made in writing and such acceptance is always limited to the individual case. Any such amendments have to be signed by Armstrong's and the Customer's authorized representatives. These General Terms & Conditions override all the Customer's general and specific conditions of purchase and supersede all earlier agreements made verbally or in writing with the purchaser.

2. Conclusion and changes of contract

Offers (hereinafter the "**Offers**") by Armstrong are always without engagement.

Orders only become valid after written confirmation by both parties, Armstrong and the Customer (hereinafter the "**Order Confirmation**").

Individual specifications or special conditions in an Order Confirmation apply in addition to these General Terms & Conditions.

Any amendments to an order made by the Customer require written acceptance and confirmation by Armstrong to become valid. Orders cannot be executed before the Customer's full and final details are available in writing. Subsequent amendments by the Customer of any nature in respect of product details or delivery requests constitute a change of contract, which may result in an alteration of the quoted prices and the delivery deadlines and in a compensation for already produced goods. Following receipt of the full and final revised details in writing from the Customer, Armstrong will issue a revised Order Confirmation. Production and delivery cannot be scheduled unless these amendments have been accepted and confirmed to Armstrong by the Customer in a written confirmation.

3. Prices, terms of payment, default

All confirmed prices are based on the market and currency situation (including raw material prices) known to us as of the day of confirmation. All prices are exclusive of VAT. Armstrong reserves the right to increase its prices up to the day of delivery if market or currency fluctuations (including raw material prices) occur. All prices are including the standard packing - ex works. If special packing is required the costs will be passed on to the Customer. Packing is not returnable. In case of excess delivery for production reasons (hereinafter the "**Excess Delivery for Production Reasons**"), i.e. deliveries of extra units necessarily occurring in production, such units will be additionally invoiced and must be accepted by the Customer. The allowed Excess Delivery for Production Reasons depends on the ordered units per Armstrong product and is:

Order quantity:	up to 10 units	- max. 1 unit
	11 – 50 units	- max. 2 units
	51 – 100 units	- max. 3 units
	101 – 500 units	- max. 5 units
	over 500 units	- max. 10 units

Our terms of payment are net within 30 days from the date of invoice. If payment is not received by the end of this period, the Customer is automatically in default without that a notice must be given, and Armstrong will charge default interest of 3% above the usual rate, but of at least 5%, without further notification. Unless otherwise provided for, the prices set forth in the enclosed Order Confirmation apply to all listed Armstrong products which are ordered together and are delivered in one shipment in accordance with the terms of delivery.

If the Customer is in arrears with instalments or with taking delivery from Armstrong, Armstrong shall have the right to withhold further shipments, including shipments not related to this partial delivery. If the Customer fails to take delivery of the Armstrong products at the specified time, or if the shipment or delivery of Armstrong products is delayed at the request or through the fault of the Customer, or if the Customer fails to make a payment which is due within the payment terms, the Customer shall be liable to Armstrong for all additional handling costs, warehouse costs or other costs, as well as for the risk of loss in connection with Armstrong products or with the deliveries of Armstrong products. If the Customer delays the delivery of the Armstrong products after their completion by Armstrong, the Customer shall be invoiced by Armstrong with and shall bear the warehouse costs calculated from the originally agreed delivery date up to the actual delivery date based on the actual costs plus 5%.

The Customer is not permitted to offset his outstanding receivables against those of Armstrong. Agents of Armstrong are not authorised to receive payments.

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4. Delivery, delivery periods and passing of risk

Unless there is a special agreement, Armstrong products will not be delivered but will only be made available at the factory for collection by the Customer. All risks relating to the Armstrong products pass to the Customer as soon as the Armstrong products have been set aside specially marked for shipment to the Customer and are ready for shipment at Armstrong's factory premises. It is the Customer's responsibility to insure the Armstrong products against damage in transit. If Armstrong undertakes to deliver the Armstrong products on the basis of a special agreement, the Customer shall provide manpower and facilities for unloading the Armstrong products at the delivery point and shall indemnify Armstrong against all claims arising from such unloading operations.

The delivery times are based on the current production schedules and are not binding. Delivery times may change in the period between submission of an offer and order acceptance and cannot be guaranteed. Specified or requested delivery times do not constitute a part of the contract and neither entitle the Customer to claim damages nor to withdraw from the contract. Armstrong reserves the right to honour its delivery obligation by partial deliveries.

5. Force majeure

If Armstrong is prevented, delayed or hindered from delivering the Armstrong products due to circumstances beyond Armstrong's control, Armstrong may cancel the outstanding obligations to deliver the Armstrong products or may extend the delivery time. In such circumstances the Customer has no right to compensation.

6. Warranty and liability

Armstrong warrants for the Armstrong products provided that they are used and installed in accordance with the technical specifications as detailed in Armstrong's data sheets. The components supplied by Armstrong correspond to the relevant technical standards and regulations. It is expressly pointed out that their installation is to be carried out in conformity with the requirements of EN 13964. If the installation instructions are not complied with, Armstrong cannot assume any liability whatsoever and is thus released from any warranty. All deliveries are to be examined and inspected immediately upon receipt, but no later than two days after delivery. Any complaint must be notified immediately to Armstrong in writing. Armstrong will not accept any liability for apparent defects which are notified later. Hidden defects must be notified in writing within 7 days after receipt of the Armstrong products. Armstrong will not accept any liability for defects which are notified after this period. Armstrong reserves the right to inspect Armstrong products after it received a damage report. The Customer shall grant Armstrong access to the premises for this purpose. If complaints have been notified within the specified time and if Armstrong accepts liability for faulty Armstrong products, Armstrong reserves the right to decide how to remedy the defects and/or make good the damage, i.e. replacements, repair or crediting the relevant amount. With regard to the quality of the materials used by Armstrong, the quality standards issued by TAIM (Technical Association of Industrial Metal Ceiling Manufacturers) apply. Colour variations are not regarded as defects unless the appearance of the final product considerably deviates from the commercially acceptable standards. Armstrong reserves the right to change the composition of materials, construction, design and measurements provided that this does not lead to a noticeable deterioration in the agreed quality. Armstrong does not warrant that the offered Armstrong products fully meet the specifications indicated or are suited for specific applications. It is the Customer's responsibility to make sure that the Armstrong products are suitable for a specific purpose, design and performance.

7. Exclusion of warranty and liability

Any warranty or liability over and beyond article 6 is expressly excluded. Armstrong accepts no liability for damages occurring as a result of improper storage, improper handling or improper usage of the Armstrong products. Furthermore, the specialist contractor is fully liable and responsible for the manner and realisation of the installation. If defects are not discovered within the term for lodging complaints agreed in article 6 and notified as set forth in article 6, they shall be deemed to be approved.

8. Specially made goods

The present General Terms & Conditions shall also apply without reservation to specially manufactured goods. For parts supplied based on Customer's special propositions, designs and drawings, Armstrong's warranty only covers that the parts have been manufactured in accordance with these documents. Unless special agreements have been made in writing, no responsibility is taken for the suitability for the Customer's intended purpose or for other uses. Armstrong therefore recommends that the Customer check for their fitness of use and release all drawings and samples. Dies and tools remain the property of Armstrong even if the Customer pays all or part of the costs therefore. Costs for specially manufactured products are always based on the production costs estimated by Armstrong plus a customary margin determined at Armstrong's complete discretion. Specially produced samples will be charged for. If orders for specially manufactured products have been placed and scheduled, they can no longer be cancelled. Neither can supplied Armstrong products be returned for crediting. If difficulties arise during production which were unforeseen but can be solved at reasonable cost, Armstrong shall be entitled to charge the extra costs. If, however, such difficulties cannot be solved by Armstrong at reasonable cost, Armstrong shall have the right to withdraw from the contract with full payment for work done and reimbursement of expenses. Further compensation is excluded.

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9. Property rights

Drawings, samples, drafts, designs etc. remain the property of Armstrong. The Customer is not permitted to use, reproduce or pass these to third parties without Armstrong's previous written agreement.

If Armstrong produces items according to drawings, models or masters given to Armstrong by the Customer, all responsibility is declined for the infringement of industrial property rights and claims resulting therefrom. The Customer shall fully indemnify Armstrong for third party claims.

10. Reservation of title

The Armstrong products supplied remain the property of Armstrong until full payment has been made. The Customer shall insure the Armstrong products against fire and theft at the Customer's expense.

11. Health and safety at work

It is part of Armstrong's company policy to comply with its obligations under the Health and Safety at Work Act. To this end, information as to the proper use of the articles supplied is provided to the Customer on request and it then becomes the Customer's responsibility to ensure that any such instructions are complied with and the personnel is instructed accordingly.

12. Place of performance / place of jurisdiction / applicable law

Place of performance and place of jurisdiction shall be at Armstrong's place of business in St. Gallen, canton St. Gallen, Switzerland. However, Armstrong reserves the right to bring an action against the Customer before any other competent court. All purchase contracts which are subject to these General Terms & Conditions shall exclusively be governed by Swiss law. The Application of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods is excluded.

The undersigned Customer has understood and agrees to these General Terms & Conditions, including the choice of law and place of jurisdiction clause provided for in article 12. He acknowledges that the General Terms & Conditions apply to all purchase contracts he concludes with Armstrong.

Company: _____

Address: _____

Postal code/town: _____

Country: _____

Signed by:

Name: _____

Title: _____

Signature _____

Armstrong Metal Ceilings Ltd.
Kunklerstrasse 9
CH-9015 St. Gallen

St. Gallen, August 2004