

General Business Terms and Conditions for the Rendering of Erection and Installation Services

1. Scope / Definition / Acceptance of contracts

1.1 The General Conditions for Erection and Installation shall apply for all erection and installation work which is executed outside the Seller's works on request of the Buyer.

Deviating conditions of the Buyer shall only be binding for the Seller, if the Seller has expressly stated his agreement in writing. Seller hereby objects to conflicting confirmations by the Buyer with reference to the Buyer's standard terms and conditions

Erection and installation work means all activities relating to erection, installation and start-up as well as repair works.

1.2 These terms and conditions also apply to all subsequent follow-up orders even if they are not expressly agreed upon again.

1.3 Contracts are only concluded once the Seller issues a written order confirmation. Changes to supply contracts only become binding once they have been confirmed by the Seller in writing. However, the Seller reserves the right to accept a contract by fulfilling the order without issuing a confirmation. Acceptance may take place within a commensurate term after receiving the order.

2. Costs

Unless otherwise agreed upon in writing, the costs for erection and installation services shall be borne by the Buyer.

3. Conditions of Payment

3.1 Unless extended payment terms are granted in the order confirmation, the agreed upon price for the services must be transferred to an account of the Seller specified in 3.5. within two weeks of the invoice date, exempt from charges and without deductions.

Exceeding the payment constitutes a fundamental breach of contract. Irrespective of further legal recourse, the Seller is entitled to late payment interest at the rate permitted by law; the Buyer may offer proof that the actual damage caused by delay was lower; the Seller may offer proof of higher damages.

In case of fitting jobs covering a longer period of time, partial invoices will be issued.

3.2 Payments must be in the same currency as the indicated price on the invoice from Seller.

3.3 Notwithstanding contrary instructions of the Buyer, the Seller has the right to apply payments to older debts first. The Seller will inform the Buyer regarding the way payments were applied. If costs and interest have already accrued, the Seller has the right to apply

payments first to the costs, then to the interest and finally to the principal service.

3.4 The Buyer has no right to retain any amounts due to the Seller or offset it against counter claims unless the counter claim has been recognized by the Seller in writing or legally established by a decision of the court of jurisdiction.

3.5 Seller's Bank Accounts

All payments from Buyer to Seller shall be paid to one of Seller's bank accounts as stated below:

UniCredit Bank AG (Currency EUR)
IBAN DE06710221820003668622;
SWIFT/BIC HYVEDEMMXXX

Commerzbank AG (Currency EUR)
IBAN DE18711400410611118100;
SWIFT/BIC COBADEFFXXX

HSBC Trinkaus & Burkhardt AG (Currency EUR)
IBAN DE19300308800700449009;
SWIFT/BIC TUBDDEDD

HSBC Trinkaus & Burkhardt AG (Currency USD)
IBAN DE71300308804700449004;
SWIFT/BIC TUBDDEDD

Advance Payment and/or Performance Guarantees issued from Seller's bank in favour of the Buyer:

Buyer's payments under Advance Payment and/or Performance Guarantees issued by Seller's bank shall be transferred to the bank account as defined in respective Guarantees.

4. Working/Travel Time and Payment

4.1 The normal working time shall amount to 40 hours per week and shall be distributed over the week days Monday to Friday inclusive with 8 hours each.

The Seller's personnel is directed to adapt to the Buyer's normal working hours basically, however, they are free in making their arrangements.

4.2 The Buyer shall confirm the time worked by the Seller's personnel on the form presented to him by the Seller's personnel through his signature each week.

Furthermore, the Buyer shall certify the work carried out by the Seller's personnel through these signed fitting hours slips by the end of each calendar month at the latest.

The fitting hours slips will be the basis for the calculation of the charges for the work carried out. The invoice will be made out by the Seller on a monthly basis.

4.3 In the case of fitting jobs the travelling time required per day to get to or return from the erection site shall, as far as it is in excess of 30 minutes for each journey, be charged at the agreed normal hourly rate, but without extra pay for overtime.

Also calculated as working time shall be the waiting time as well as any time required for finding rooms or possible registration with authorities so far as this entails lost working hours.

- In case the Seller's personnel is unable to work full working time without fault of its own, the daily working time listed under 4.1 shall at least be charged.
- 4.4 The regular pay for each working hour on a work day within the normal working time shall be:
- a) for engineers € 139,- per hour/man
 - b) for process/software engineers € 153,- per hour/man
 - c) for senior experts € 163,- per hour/man
- 4.5 Overtime shall only be worked on the initiative of the Buyer if necessary and agreed upon by the Seller.
- 4.6 For overtime as well as night, Sunday and holiday work, the percentages listed in the following shall be added to the hourly rates agreed upon in the above:
- a) for overtime from the 9th hour on working days Saturday work and for night hours (from 8 p. m. to 6 a. m.) 50%
 - b) for work on Sundays and public holidays in the Buyer's country 100%
- 4.7 Travelling time shall count as normal work time. For travel time on Saturday or Sunday 25% shall be added to the regular hourly rate.
- 4.8 Possible taxes and similar expenses arising at the erection site in the foreign country on account of the fitting activities, especially for fitting wages or redemptions, shall be borne by the Buyer.
- 4.9 For any work which is especially difficult, dirty or to be carried out under especially hard or dangerous circumstances, additional payment is to be effected; the amount of which shall be agreed upon between the Buyer and the Seller.
- 4.10 **Redemption**
The redemption for each day of absence from the Seller's premises shall amount to the rate as determined by the German federal tax authorities and may be subject to change. Daily redemption shall also be paid for Sundays and holidays and for travelling days, as well as for travelling days for home journeys.
- If according to express agreement with the Seller, the travelling-day redemption is not to be paid directly to the Seller's personnel, there shall be a separate charge by the Seller. Redemption shall also be paid for the duration of inability to work caused by illness or accident as long as the Seller's personnel is at the erection site.
- The redemption shall be reduced to 50% for all days on which the Seller's personnel is not at the erection site at the Buyer's order and the lodgings must be maintained; the same applies for days of leave or home journey if the lodgings at the erection site must be kept during this time. Should the above mentioned amount prove to be insufficient for a reasonable living and for the granting of a reasonable pocket money, reasonably higher rates shall be charged.
- 4.11 **Change in Wages**
The above listed agreed upon rates are valid as of January 2019.
- In case of future orders, however, the Seller reserves the right of adjusting these rates according to the rates valid at the time the order is placed.
- If there is a change in the agreed upon rates for charges during the time of erection and installation on account of changes in tariffs in the Seller's country, the listed fitting rates shall be altered accordingly as of the day the changed regulations became effective.
- 4.12 **Travel Expenses**
- 4.12.1 The accrued travel expenses of the Seller's personnel shall be charged to the Buyer based on the relating receipts (flight ticket, taxi, etc.). In case the Seller's personnel uses its own means of transportation (cars) € 0,75 /km shall be charged. If at the same time further personnel or tools or spare parts are transported by car, the same charges shall apply.
- This regulation applies also for journeys from lodging to the site and back.
- In case of flights a flat fee of EUR 280 will be charged for the airport transfer from Siegsdorf to MUC or SZG and back except the relating receipt for the airport transfer is existing and shows a largish sum of money.
- 4.12.2 Travel expenses are also the costs for home journeys during the time of erection and installation.
- 4.12.3 Furthermore, the Seller shall invoice all visa and vaccination fees, costs for transporting and depositing luggage and tools arising in connection with erection and installation, as well as all expenses for postage, telegrams, telephone calls, etc. incurred in the interest of the fitting activities.
- 4.12.4 Starting point and return destination shall be Siegsdorf except a different starting point and/or return destination has been confirmed in writing by Seller.
- 4.13 **Lodging**
The accommodation expenses for the Seller's personnel shall be borne by the Buyer.
- Payment of such expenses shall be made by the Buyer
- a) either directly to the hotel against invoice;
 - b) or to the Seller's personnel against hotel bill;
 - c) or against the Seller's invoice on the basis of hotel bills;
 - d) or through provision of free accommodation (European hotel standard, single room, shower/bathroom and W.C.)
- The selection of such accommodation shall be made with the Seller's supervising personnel.
- 4.14 **Home Journey**
For fitting jobs within Europe fitters shall be entitled to a home journey after 8 weeks of uninterrupted employment at the erection site if

the erection site lies at least 150 km from the fitter's home residence and if no other written agreements have expressly been made.

For Seller's jobs outside of Europe special agreements shall be made for the individual cases.

5. Taxes

- 5.1 All taxes and dues imposed by the Seller's government up to the point of transfer of cost and risk from the Seller to the Buyer in accordance with the terms of delivery stipulated in this CONTRACT the order shall be borne by the Seller.
- 5.2 All other taxes (including income tax, sales tax, etc.) duties, levies, imposts, deductions which are now in force or will be imposed by the Buyer's government (or any authority thereof) shall be borne by the Buyer. This will include the personal income taxes that may be imposed on personnel delegated by the Seller to the plant site.
- 5.3 Buyer shall in any event pay these taxes, duties and fees, including social or other charges of any kind directly to the authorities concerned in Buyer's country and shall solely be responsible for all declarations and statements to the same. Buyer shall hold Seller harmless from all costs or other consequences resulting from the failure on the part of Buyer to pay all of the said taxes, duties, dues and fees as and when due and/or to file the appropriate returns or other statements with the competent offices. To the extent that such returns or statements must be made in the name of the Seller or Seller's personnel, Buyer will nevertheless prepare them in proper and correct manner.
- In case Customer remits any corporate income tax / withholding tax payment for the Seller imposed by the Customer's government, Customer shall immediately submit to Seller an original copy, receipt or certificate issued by the tax authorities.
- 5.4 The prices referred to herein represent net amounts and do not include any Withholding Tax, Business Tax Value Added Tax, Sales Tax, or other Similar Taxes (hereinafter "VAT or Similar Taxes). If applicable, VAT or similar Taxes will be charged by the Seller to the Buyer in addition to the prices.
- 5.5 Each party agrees that any invoices issued pursuant to this contract shall comply with applicable mandatory local taxation laws and regulations.

6. Cooperation of Buyer

- 6.1. The Buyer shall support the Seller's personnel in the execution of the erection and installation for his account. In addition to that, the Buyer shall ensure that all required permits for the fitting job (e.g. local work permits) are arranged for the Seller's personnel.
- 6.2. He shall make the necessary arrangement for the protection of persons and objects at the erection site. He has to inform the fitter, and in cases of fitting teams the Seller's site manager, of existing safety regulations as far as they are

of importance to the Seller's personnel. He shall inform the Seller of violations of such safety regulations by the Seller's personnel in writing. In case of severe violation, he may forbid the violator, in agreement with the Seller's site manager, to enter the erection site.

- 6.3 When the shipment is being unpacked, the Buyer shall provide an authorized person of his works who will check the completeness of the shipment in unison with one of the Seller's fitters. The result of this check shall be taken down in a record which is to be signed by the authorized person of the Buyer and the Seller's fitter.
- 6.4 The Buyer shall take out an erection and installation insurance which will cover all material damages to the fitting object during the fitting period up to the final inspection.
- The Seller in turn will take out a workmen's compensation insurance covering a scope as is customary with him and on request he will prove this to the Buyer.

7. Technical Aid and Other Services of the Buyer

- 7.1 The Buyer shall be obliged to render technical aid and other services for his account and risk, especially the following:
- a) Provision of the required suitable labour force in the number necessary for erection and installation and for the necessary period. The workers have to follow the instructions of the fitter and in case of fitting teams the instructions of the Seller's site manager.
- This applies until the date the plant has been accepted by the Buyer in writing.
- The Seller shall not accept any liability for the labour force provided by the Buyer.
- b) Execution of all earth-, construction-, bedding- and scaffolding work, including procurement of building materials.
- c) Provision of necessary equipment and tools (e.g. scaffoldings, hoisting devices, welding apparatus, manual drilling machines, compressors) as well as required requisites and materials (e.g. putlogs, wedges, perches, cement, cleaning and sealing material, lubricants, fuels, drive ropes and belts).
- d) Provision of heating, illumination, operating power, water, inclusive of the required connections.
- e) Provision of required dry and lockable rooms for storing the tools of the Seller's personnel.
- f) Transportation of the fitting parts to the erection site, protection of the fitting parts and materials against destructive influences of any kind including theft, cleaning of the fitting parts.
- g) Provision of suitable lockable lounges and work rooms (with heating, lighting, washing facilities, sanitary installations) and First Aid for the Seller's personnel.
- h) Provision of the materials and execution of all other actions which are necessary for installation

- and for carrying out a contractually provided test-run.
- 7.2 The costs for transportation of tools, equipment and materials, which are necessary for the execution of the work and are provided by the Seller, must be borne by the Buyer.
- After completion of the fitting job, these tools, equipment and materials are to be returned carriage paid to the Seller or another address stipulated by him or the fitter. This applies in all cases where tools, equipment and materials have not been specifically bought by the Buyer.
- 7.3 The technical support of the Buyer must assure that fitting can begin immediately after the arrival of the Seller's personnel and can be executed without delay until the final inspection by the Buyer.
- 7.4 If the Buyer does not fulfil his obligations, the Seller is entitled, but not obliged, to carry out the actions assigned to the Buyer in his place and for his account. Possible claims of the Seller, especially compensation claims, shall not be affected by this.
- 7.5 If, without fault of the Seller, equipment or tools supplied by him are damaged during transport or at the erection site or if they are lost without fault of the Seller, the Buyer shall be obliged to compensate these damages or losses.
- These damages will be calculated at cost price. Damages which occur on account of normal wear shall not be considered.

8. Modifications Regarding Construction of Equipment Provided by the Seller

During the term of erection and installation, modifications and changes regarding construction and functioning of equipment provided by the Seller may only be carried out after consultation and subject to approval of the Seller's designing department.

Otherwise the Seller's guarantees covering the equipment shall not become effective.

9. Replacement of Seller's Personnel

The Seller reserves the right to replace his personnel at any time at his discretion for his account. Illness or accidents of the Seller's personnel are to be reported to the Seller in the fastest manner possible.

If the replacement of the Seller's personnel becomes necessary for a reason not to be accounted for by the Seller, the costs arising from such replacement shall be charged to the Buyer.

10. Acceptance and Warranty for Apparent Defects

- 10.1 The fitting personnel of the Seller shall bear the sole responsibility for the execution of the fitting job until the plant has been accepted in writing.

The Buyer shall be obliged to inspect the fitting job immediately after he has been informed of its completion.

Upon handing over of the plant, a protocol of acceptance is to be signed by the Buyer and the Seller's site manager.

This protocol of acceptance must also indicate possible defects which are to be reported at once and possible alterations or delivery of additional parts if so requested by the Buyer.

There will be no claims after signature of this acceptance protocol unless these claims have been included in the protocol.

Should the fitting job prove not to be in compliance with the contract, the Seller shall eliminate the reported defects for his account unless the defect is due to circumstances which are not to be accounted for by the Seller.

If a defect exists which must be eliminated by the Seller and is insignificant considering the Buyer's interest, the Buyer shall not be entitled to refuse official acceptance if the Seller has expressly accepted his obligation to eliminate the defect.

- 10.2 If the inspection is delayed without fault of the Seller, official acceptance shall be regarded as having taken place after one week has elapsed from the date that the completion of the fitting job was announced.

- 10.3 The Seller's warranty for apparent defects shall stop upon official acceptance.

11. Fitting Term

- 11.1 The fitting term i. e. the period of time from the start until the end of the erection and installation services, shall be determined by the fitting offer submitted by the Seller unless different agreements have explicitly been made.

- 11.2. The erection and installation period shall be reasonably extended within the framework of labour disputes, particularly strikes and lockouts as well as in the case of unforeseen obstacles which are beyond the control of the Seller and as far as such obstacles can be proven to be of considerable influence on the completion of the fitting work.

The afore-mentioned circumstances will not make the Seller responsible even if they occur during an already existing delay. The Seller will inform the Buyer of the beginning and the termination of such obstacles as soon as possible.

- 11.3 Fulfilment of the fitting term is subject to the Buyer's fulfilment of his contractual obligations.

- 11.4 If the Buyer incurs damages as a result of a delay which occurred through a fault of the Seller, the Buyer shall be entitled to request delay compensation, excluding any further claims.

This compensation amounts to 0.5 percent for every full week of delay after a grace period of two weeks, but at the most to a total of 5 percent of the agreed fitting price.

12. Warranty for Hidden Defects

12.1 Starting with the acceptance of the fitting job by the Buyer, the Seller warrants for hidden defects of the fitting job which occur within 6 months, in case of multiple shift operation within 3 months, after acceptance in such a manner that he will first try to eliminate the defects within a reasonable period of time. The Buyer shall inform the Seller of a detected defect immediately and in writing.

The warranty period shall be prolonged if mandatory laws in the Buyer's country provides for such longer warranty period.

His right to claim for the defect is limited to 6 months from the date on which he made his report in due time.

12.2 The warranty period shall be extended by the period of interruption in operation caused by the repair work.

The warranty of the Seller does not apply if the defect results from a circumstance the Seller does not have to account for.

The warranty of the Seller ceases to exist particularly in those cases where the Buyer has carried out alterations or repair work or had such work carried out by third parties without the Seller's written permission. Only in urgent cases where operating safety is endangered or where unproportional great damages must be prevented and of which circumstances the Seller must be informed immediately, or if the Seller is in arrear in eliminating the defect, shall the Buyer have the right to eliminate the defect himself or have it eliminated by third parties and to request from the Seller compensation for the costs incurred.

13. Obstruction of performance, inability to pay, bankruptcy

13.1 Insofar as the Seller is not responsible for the non-performance of its obligations because non-performance is based on an obstacle beyond the control of the Seller, the Buyer cannot demand compensation nor invoke any other legal remedies.

13.2 The Seller is only liable for its suppliers to the extent the Seller is liable for non-performance by another third party employed for the full or partial performance of the contract.

13.3 If the Buyer suspends or discontinues its payments or if an application for insolvency proceedings is submitted in regards to the Buyer's business operations or the commencement of comparable proceedings is initiated pursuant to the laws applicable to the Buyer, the Seller has the right to withdraw from the contract without notice, fully or insofar as performance has not occurred, irrespective of further legal recourse. The same applies in case the Seller becomes aware of other circumstances that cast doubt on the creditworthiness of the Buyer.

14. Export control

14.1 The erection and installation work in the country specified in a confirmation of order for the purpose communicated to the Seller does - to the best of Seller's knowledge - presently not conflict with the export regulations of Germany and / or the European Community. Any change of such situation before the execution of erection and installation work in the specified country will be monitored by Seller and duly communicated to the Buyer.

14.2 In the event that any new export rules and/or regulations become effective during execution of the erection and installation work, this shall constitute a force majeure event.. In such event Buyer and Seller will diligently discuss the steps to be taken.

**15. Buyer's Right of Withdrawal
Seller's Right of Withdrawal**

15.1 The Buyer shall be entitled to withdraw from the contract if the Seller becomes definitely unable to carry out the complete contractual work. The same applies in the case of insolvency of the Seller.

15.2 If the inability occurs during delay in acceptance or through the Buyer's fault, the latter remains responsible to fulfil his obligations.

15.3 The Buyer shall furthermore be entitled to withdraw from the contract if the Seller permits an additional period granted to him for the repair of a defect, for which he is responsible under the regulations of the contract, to expire without taking action and through his own fault.

15.4 If the Buyer rescinds the contract after confirmation of the order, the Seller shall not be entitled to claim the agreed upon price. Seller may issue an invoice regarding a cancellation fee for already arisen costs instead if the rescission is not his responsibility and not subject to Force Majeure.

15.5 In this case the Seller is entitled to hold back already received payments from the Buyer to set off against arising cancellation fees.

15.6 Basically the fee is calculated as a lump sum in the amount of EUR 350 in addition to already accrued costs during order processing based on the relating receipts.

15.7 The cancellation of the affected order will become effective from the time when the Buyer has paid the invoiced costs to the Seller.

15.8 Any (advance) payment guarantee(s) shall be returned to the Seller within 5 days.

15.9 In the case of unforeseen events and as far as these events considerably alter the economic importance or the contents of the service or considerably influence the operation of the Seller's works, and in the case of impossibility of execution realized in retrospect, the Seller shall be entitled to withdraw wholly or partially from the contract as long as adaptation of the contract is not justifiable from an economic point of view.

- 15.10 The Buyer shall not be entitled to claim compensation on account of such withdrawal. If the Seller desires to avail himself of his right of withdrawal he has been established, even an extension of the delivery period had previously been granted by the Buyer.

16. Obligation to cooperate

The parties are mutually obligated to take all reasonable measures required to achieve the purpose of the contract and to refrain from any actions that would impede achieving the purpose of the contract.

17. Limitation of Liability

Claims for compensation based on a positive violation of a contractual obligation or on unlawful acts against the Seller and against its assistants and vicarious agents are excluded unless they are based on intent or gross negligence. This also applies to claims for compensation based on non-performance. In any case, liability is limited to the amount of damages that can be expected when the contract is concluded. The liability of the Seller pursuant to the Product Liability Act, other manufacturer's liability claims and any rights under mandatory laws and regulations shall remain unaffected.

18. Verbal Collateral Agreements

Verbal collateral agreements to the contract or these General Conditions of Erection and Installation shall be effective only if they have been confirmed in detail and in writing by Seller.

19. Applicable law, arbitration clause

- 19.1 The legal relationship between the Seller and Buyer is subject to substantive German law; the application of international civil law is excluded. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of April 11, 1980 is excluded.

- 19.2 In case of disputes arising from or in connection with the contract, including disputes regarding the valid conclusion of the contract, its legal effectiveness, its amendment or dissolution, both parties will attempt to reach a mutual agreement. Should such an agreement not be reached within one month after one party asks the other party to settle the dispute, all means available pursuant to the applicable legal regulations may be taken; both parties agree on the sole jurisdiction of the courts in Traunstein, Germany. The Seller also has the right to petition the court of jurisdiction of the Buyer.

The defaulting party will reimburse the other party for all costs, especially court costs and commensurate legal fees, incurred as a result of the breach of contract.

20. Miscellaneous

- 20.1 Memorandums are only effective if they are communicated in writing and in the German or English language. Memorandums may also be communicated by fax or electronically. They become effective upon reaching the recipient or at the point in time when they would have reached the recipient under normal circumstances using the chosen means of communication. Memorandums that reach the seller on a Sunday, a statutory holiday at the seller's place of business or on a Saturday only become effective on the following working day.
- 20.2 If individual provisions of the contracts concluded, which are based on these terms of sale, are ineffective or infeasible in whole or in part, the effectiveness of the remaining provisions shall remain unaffected. In this case, the parties agree to replace the ineffective or infeasible provisions with effective and feasible provisions that comes as close as possible to the economic purpose of the ineffective or infeasible provisions. This applies correspondingly in case of gaps in the contracts concluded which are based on these terms of sale.