

GENERAL TERMS AND CONDITIONS

Version: January 2018

1. General

- a) Any provision of deliverables by DASAG GmbH Verfahrenstechnik-Anlagenbau, hereinafter DASAG GmbH, shall be governed exclusively by the General Terms and Condition below (hereinafter GTC), unless different provisions have been agreed in writing.
- b) Any terms and conditions of the customer that are contrary to or different from the GTC below are objected to, unless DASAG GmbH has explicitly agreed to them in writing.
- c) By placing the order with DASAG GmbH, the customer accepts the applicability of these GTC to the contractual relationship established. Any supplemental agreements require the explicit written acceptance of DASAG GmbH to be legally effective.
- d) The scope shall be limited to the provision of deliverables by DASAG GmbH within the Federal Republic of Germany. In the event of the performance of deliverables outside the Federal Republic of Germany, the warranty granted by DASAG GmbH shall be restricted to the supply of spare parts; any technicians' assignments beyond such supply of spare parts shall be billed by the hour at the relevant applicable rate.

2. Offer and Conclusion of Contract

- a) As a rule, the offers made by DASAG GmbH shall be non-binding unless they have been explicitly declared to be binding.
- b) Prices are net prices quoted in euros, unless indicated otherwise. They shall be ex works Nordhausen plus delivery, packaging, and insurance.
- c) Orders placed with DASAG GmbH shall become legally binding only after their written confirmation by DASAG GmbH, whose content shall be decisive for the contractual relationship and the scope of deliverables; supplemental agreements and oral statements of employees or agents of DASAG GmbH also require a written confirmation to be effective.
- e) Pictures, records, weight information and data sheets in offers and offer documents shall only be final and binding if this is explicitly stated. Otherwise, minor deviations remain reserved.
- f) DASAG GmbH remains the owner and originator of cost estimates, drawings, project schedule and payment terms proposals and other papers and documents. They must not be disclosed to third parties and must be returned upon request if no order is placed with DASAG GmbH.
- g) Cost estimates for repairs and installations shall be non-binding.

3. Prices

- a) The remuneration to be paid by the customer is based on the written offer or contract.
- b) Invoices shall be made out by itemising and charging the taxes and ancillary costs applicable at the time (such as customs duties and shipment charges, packaging, insurance).
- c) DASAG GmbH shall be bound by price quotes and price indications for 14 days unless agreed or promised otherwise.
- d) If price rises that are an integral part of the order's calculation occur between the placement of the order and the execution of the order, such price rises shall be charged to the customer.

4. Delivery and Shipping

- a) Packaging for deliveries shall be invoiced at prime price and not taken back. Any deliveries shall be on the ordering party's account and risk.
- b) Consignments shall be insured on the ordering party's account. In the case of damage, DASAG GmbH shall assign any claims arising from such insurance to the ordering party as soon as the ordering party has paid the insurance premium to DASAG GmbH in full and in due time.
- c) If no specific mode of shipment is agreed, the products shall be shipped the way chosen by DASAG, but without any guarantee for the safest, cheapest and fastest transportation.
- d) Risk shall pass to the customer as soon as the consignment has been handed over to the person executing the transportation and has left the warehouse of DASAG GmbH for shipment. This shall also apply if partial shipments are made or the shipment is made by staff of DASAG GmbH.

5. Period of Performance, Acceptance

- a) Agreements for binding of performance dates or deadlines and installation dates or deadlines must be made in writing.
- b) Compliance with deadlines and delivery dates require the receipt of all documents and data, required permits, approvals to be supplied by the customer and the adherence to the agreed payment terms. The burden of proof shall be borne by the customer.
- c) Partial deliveries may be made.
- d) DASAG GmbH shall not be liable for delays in delivery and performance due to force majeure and due to events making the performance very difficult or impossible for DASAG GmbH – this includes, but is not limited to, strike, lockout, official orders, technical defects, illness, missing primary materials, vehicle shortfall, accident, etc. even if they occur at service providers/suppliers or their sub-service providers/sub-suppliers. They entitle DASAG GmbH to postpone the performance period / delivery period by the duration of the hindrance and an additional reasonable start period or fully or partially to withdraw from the contract on the ground of the part not yet performed.
- e) If, in the event of delays in delivery and performance pursuant to item 5d) of the GTC, the hindrance lasts more than three months, then the customer is entitled to withdraw from the contract. If delivery or service becomes impossible due to the stated circumstances, then DASAG GmbH shall be released from the obligation to deliver and any other obligations associated with it. DASAG GmbH will inform the customer of the occurrence of such events immediately.
- f) Liability of DASAG GmbH for complying with binding delivery dates or deadlines shall be limited to intent and gross negligence insofar as it is in the risk sphere of DASAG GmbH.
- g) If, in any other cases, DASAG GmbH is in default of delivery/performance to be rendered, then the customer may withdraw from the contract only after a reasonable additional time it has set limit has expired unsuccessfully.
- h) The customer shall only be able to claim damages due to non-performance or due to the aspect of breach of collateral duties and assertion of any other rights associated with delays in delivery/performance in the event of intent and gross negligence on the part of DASAG GmbH.
- i) The customer shall be obliged to formally accept the deliverable upon DASAG GmbH's request immediately after its delivery and to confirm such acceptance in writing as soon as the deliverable's functional capability has been proven to the customer by means of a function testing program of DASAG GmbH.

6. Warranty

- a) Complaints about incomplete deliveries or visible external defects of the deliverable must be raised vis-à-vis DASAG GmbH in writing no later than eight days after receipt of the deliverable; complaints about hidden defects immediately after their detection.
- b) To the extent admissible by law, warranty shall be governed by the following provisions.
- c) The warranty period shall be 24 months in one-shift operation and shall commence upon the passing of risk.
- d) During the warranty period, DASAG GmbH binds itself to deliver a replacement for defective parts of the devices or to repair them free of charge at its own discretion. Any required replacement work and travel/trip expenses shall be invoiced.
- e) Liability for defects does not apply to the parts subject to normal wear and tear. No warranty may be claimed for any loss of production/loss of earnings and in the event of over-voltage caused by lightning as well as improper handling of the thing/item.
- f) DASAG GmbH shall not be liable for third-party products (third-party products are products not manufactured by DASAG GmbH). DASAG GmbH assigns its warranty claims against the supplier/manufacturer of the third-party products to the customer.

- g) The customer shall not be entitled to claim withdrawal from the contract or to claim reduction of the purchase price unless DASAG GmbH is not able to cure the defect despite at least three attempts to cure for which the customer has given it a reasonable period of time and opportunity.
- h) Upon request by DASAG GmbH, the customer is obliged to send the deliverable to DASAG GmbH at the customer's risk after having given a notification of defects.
 - i) Warranty claims shall be excluded if damage or disruptions in the deliverable occur that are attributable to improper handling, excessive strain, insufficient maintenance, abnormal operating conditions (including, but not limited to, deviations from the installation requirements) and deterioration in transit.
 - j) All and any warranty claims shall lapse if third parties carry out works in the deliverables without the approval of DASAG GmbH and other interventions or repair works are done, which also includes changing or rendering the serial number illegible. This shall also apply to damage attributable to improper integration or connection of the deliverable to other devices by the customer or third parties.
- k) DASAG GmbH shall be liable for damage due to faulty installation of deliverables as well as defects occurring during execution of such works only during the warranty period laid down in item 6c). To the exclusion of further claims, warranty shall be limited to the cure free of charge of those defects in the deliverable that are provably attributable to a fault on the part of DASAG GmbH or its commissioned parties. Warranty requires that the customer notifies DASAG GmbH of the defects becoming apparent immediately after their detection. Warranty shall lapse if the customer carries out or has third parties carry out cures without DASAG GmbH's prior approval.

7. Payment

- a) All invoices of DASAG GmbH shall be payable net and without deduction within 30 days after invoicing, unless agreed otherwise.
- b) The customer shall only be entitled to set-off and to assert rights of retention if the claim asserted by the customer has been explicitly acknowledged by DASAG GmbH in writing or has been established as final and absolute.
- c) If bills of exchange are accepted upon prior agreement, DASAG GmbH shall accept them only on account of payment. Discounting charges and bill of exchange charges plus value added tax shall be borne by the customer according to the private bank rates.
- d) If the customer is in default of payment vis-à-vis DASAG GmbH, then DASAG GmbH shall be entitled to charge the default interest at the statutory rate (currently 9 percentage points per year above the base rate from companies or 5 percentage points per year above the base rate from consumers) starting on the beginning of default.

8. Reservation of Title

- a) Title to the services and deliverables rendered by DASAG GmbH to the customer remain with DASAG GmbH until all due claims that DASAG GmbH has against the customer at the time of performance and in the future have been performed (including all due balance claims from current account) (reservation of title).
- b) As long as DASAG GmbH has a reservation of title, deliverables may be sold or processed only in the normal course of business, but they must not be pledged.
- c) To the extent title to the goods is lost due to processing of the goods, the customer shall transfer title to the object created through processing to DASAG GmbH in order to secure the claims under item 8a) of these GTC in advance. The customer is obliged to keep the object created through processing for DASAG GmbH free of charge.
- d) The customer shall assign all receivables and ancillary rights it is entitled to from resale and from the business relationships with its purchasers related to the resale to DASAG GmbH up to the amount of receivables DASAG GmbH may claim against the customer. The assigned receivables shall secure all claims pursuant to item 8a) of these GTC.
- e) The right to resell in the normal course of business shall lapse in the event the customer suspends payment.
- f) The customer is entitled and obliged to collect the receivables assigned to DASAG GmbH as long as DASAG GmbH has not revoked this authorization. The authorization of collection shall expire even without an explicit revocation if the customer suspends its payments. Upon request, the customer must inform DASAG GmbH in writing immediately to whom it has sold the deliverables and what receivables it is entitled to from the resale.
- g) If the customer is in default of payment vis-à-vis DASAG GmbH or if it violates one of the obligations under the agreed reservation of title, then the outstanding debt shall fall due immediately in full. In this case, DASAG GmbH is entitled to demand the deliverable to be handed over and to pick it up from the customer without being required to withdraw from the contract beforehand in order to do so. The customer has no right to possession in this respect. Taking the deliverable back shall only constitute withdrawal from the contract if DASAG GmbH explicitly confirms this in writing. In this case, DASAG GmbH shall also be entitled to disclose to the customer's purchasers the assignment of the receivables of the customer to DASAG GmbH and to collect the receivables.
- h) In the event of default of payment on the part of the customer, DASAG GmbH is entitled to withdraw from the contract or to claim damages due to non-performance.
- i) The customer is obliged to assert and to safeguard any rights of DASAG GmbH under the securing conditions above even against any third party, including but not limited to, in the event of threat of pledge, to point out the ownership of DASAG GmbH and to inform DASAG GmbH of each pledge or any other impediment of the property rights immediately.
- j) DASAG GmbH undertakes to pass its title to the goods and the receivables assigned to DASAG GmbH upon the customer's request to the customer at its own option provided that this refers to goods or receivables from fully paid deliveries and the value of the secured items exceeds the total receivables DASAG GmbH is entitled to by 20%.

9. Place of Performance, Place of Jurisdiction, Severability Clause

- a) These GTC and the entire legal relations between DASAG GmbH and the customer shall be governed by the law of the Federal Republic of Germany.
- b) The place of performance for all deliveries and services of DASAG GmbH – as well as exchange commitments – shall be the head office of the company.
- c) For all legal disputes, the place of jurisdiction shall be the head office of the company.
- d) In the event that a provision of these GTC and any other agreements reached is or becomes invalid, the validity of the contract and of the remaining provisions shall not be affected. The contracting partners are obliged to replace the invalid provision by a provision corresponding as closely as possible to the invalid provision's economic success.