

General Terms and Conditions of Sale of Lenser Filtration GmbH¹

The terms of ORGALIME S 2012² attached hereto shall form the basis of quotations and contracts for all supplies and services by Lenser Filtration GmbH (hereinafter referred to as the "SELLER") if not stated otherwise in this document.

The following deviations from Orgalime S 2012 shall apply:

PREAMBLE

Clause 1 is amended as follows:

"The SELLER's supplies and services are provided exclusively on the basis of the present General Terms and Conditions of Sale. Any terms and conditions of the BUYER that have not been expressly accepted by the SELLER do not apply. The present General Terms and Conditions of Sale shall also apply if the SELLER performs the delivery without reservation, although he is aware that the BUYER's terms contradict or differ from these General Terms and Conditions.

DEFINITIONS

The definition of "Gross Negligence" is deleted.

CONFIDENTIALITY AND INTELLECTUAL PROPERTY

Clause 4 is amended as follows:

"The information communicated by the SELLER in connection with the offer or a Contract based on the offer contains confidential and proprietary information of both technical and commercial nature belonging to the SELLER. The BUYER undertakes not to disclose this information to third parties without the prior written consent of the SELLER. Under no circumstances shall the BUYER allow third parties to manufacture the scope of supply or parts thereof on the basis of drawings and documents submitted by the SELLER. The BUYER shall only use these drawings and documents in connection with the offer and with a Contract based thereon. The intellectual property rights, copyrights and other rights vested in the design, manufacture, supply of the Products, drawings, specifications, documents, data and software made available by the SELLER to the BUYER shall be owned solely by the SELLER and shall remain its property. Any documents, drawings etc. may be reclaimed by the SELLER at any time. The BUYER shall receive a non-exclusive and non-transferable license for installation, operation and maintenance of the Product. If the scope of supply of the SELLER also includes software, the BUYER shall receive a non-exclusive, non-transferable and non-sublicensable license to use the software."

Clause 5 is amended as follows:

"The SELLER shall provide the information and drawings according to the Contract in the agreed number of copies not later than at the date of delivery. The SELLER shall not be obliged to hand over manufacturing drawings for the Product or for spare parts.

ACCEPTANCE TESTS

Clause 8 is amended as follows:

"If the acceptance tests show that the Product is not in accordance with the Contract, the SELLER shall remedy the deficiencies within a reasonable period of time in order to ensure that the Product complies with the Contract. The BUYER may only request that these tests be repeated if the deficiency was significant.

DELIVERY. PASSING OF RISK

Clause 10 is amended as follows:

"The reference to INCOTERMS shall always mean INCOTERMS in their latest version."

TIME FOR DELIVERY. DELAYS

Clause 11 is amended as follows:

"The delivery time stated or agreed does not begin until the Contract enters into force. A delivery date is postponed if the SELLER's offer is not accepted within 5 working days, to the extent that acceptance exceeds this 5-day-period. The following conditions must be fulfilled for the Contract to enter into force:

- the BUYER has accepted the offer unconditionally;
- in the event of a down-payment being required, the SELLER has received the down-payment;
- the SELLER's credit insurance has given their approval (if necessary);
- an export permit (if needed) is available;
- the BUYER has approved the drawings.

Clause 12

The second paragraph is deleted.

Clause 13

Second paragraph to be added:

"In the event of delays attributable to the BUYER, the SELLER shall be entitled to reimbursement of the additional costs he has incurred as well as an extension of the delivery period."

Clause 14

The first paragraph is amended as follows:

If the Product is not delivered on the delivery date, the BUYER shall be entitled to liquidated damages after having granted a one-week grace period. The BUYER shall not be entitled to liquidated damages if he has not suffered any damage.

None of the other dates are subject to any penalties or liquidated damages, but are for information only and thus not binding on the SELLER."

In the second paragraph, "commenced week" shall be replaced by "full week".

Clause 15

At the end of the first paragraph, "at least one week" is replaced by "at least 30 calendar days".

The third and fourth paragraphs are deleted.

Clause 16 is amended as follows:

"Liquidated damages under Clause 14 and termination of the Contract after reaching the maximum amount of liquidated damages under Clause 15 shall be the only remedies available to the BUYER in case of delay on the part of the SELLER. Any other claims against the SELLER based on delay shall be excluded."

The second paragraph of Clause 17 is amended as follows:

"If the BUYER does not accept the delivery on the delivery date, the SELLER shall be entitled to issue an invoice for the contract price without granting any grace period (for pro rata deliveries, the portion of the contract price for the partial delivery that is not accepted) and the BUYER must settle the invoice as if the delivery has been accepted by the BUYER. The provisions of Clause 21 shall apply if the invoice is not settled.

The SELLER shall arrange for storage of the Product at the risk and expense of the BUYER."

The second paragraph of Clause 18 is amended as follows:

"If, for reasons not attributable to the SELLER, the BUYER fails to accept delivery within a reasonable grace period stipulated by the SELLER, the SELLER may, by notice in Writing, terminate the Contract in whole or in part. In this case the SELLER shall be entitled to compensation for the loss he suffers by reason of the BUYER's delay, including any consequential and indirect loss."

PAYMENT

Clause 20 is amended as follows:

"Whatever means of payment are used, payment shall not be deemed to have been effected before the SELLER's account has been irrevocably credited with the amount due. Sales tax, customs duties, social security contributions, duties or other taxes and fees in the country of destination are not included in the prices quoted by the SELLER and shall be added to the contract price in the corresponding amount if applicable."

Clause 21

Paragraph 1 is amended as follows:

"If the BUYER fails to pay by the stipulated date, the SELLER shall be entitled to default interest from the day on which payment was due and to reimbursement of collection costs and fees. The rate of default interest shall be as agreed between the parties or otherwise 1 percent per month. The compensation for recovery costs shall be 1 percent of the amount for which interest for late payment becomes due, but not less than EUR 40.00."

Fourth paragraph to be added:

¹ April 2019 edition, these General Terms and Conditions of Sale can be accessed at www.lenser.de.

² To the extent that ORGALIME S 2012 refers to a "Supplier", this shall mean the SELLER, and to the extent that ORGALIME S 2012 refers to a "Purchaser", this shall mean the BUYER.

"If there are changes in legislation, technical standards, taxes or customs duties, the SELLER shall be entitled to adjust the contract price accordingly if these changes affect the scope of supply and/or its performance."

LIABILITY FOR DEFECTS

Clause 23 is amended as follows:

"In accordance with Clauses 24-39, the SELLER shall remedy any defect or nonconformity (hereinafter termed "defect(s)") resulting from faulty design, material or workmanship either by repair or replacement at his own discretion. Repair or replacement are the BUYER's sole and exclusive remedies for defects."

Clause 24

Second paragraph to be added:

"Any liability for defects on the part of the SELLER shall be excluded if:

- the Product is not stored/installed/operated according to the regulations and instructions of the SELLER;
- the BUYER fails to have the scope of supply maintained by qualified and trained personnel and according to the SELLER's operating and maintenance instructions;
- the scope of supply is operated with a mixture, substance or under other non-conforming service conditions for which the scope of supply was not developed;
- the BUYER fails to inform the SELLER In Writing immediately after a defect appears or continues to operate the Product in spite of an obvious defect, thus making the defect worse;
- the scope of supply is repaired by third parties without the SELLER's prior written approval;
- the scope of supply is damaged by third parties or by the BUYER;
- defects occur due to the material provided or required by the BUYER or due to the design required by the BUYER;
- Any deterioration due to erosion, corrosion, wear and tear, wear parts and re-used or refurbished parts are also excluded from the warranty.

The express warranties the Supplier makes in the Contract are the only warranties it will make. There are no further commitments, whether express, implied, verbal or statutory. In particular, there are no implied warranties of merchantability or fitness for a particular purpose."

Clause 27 is amended as follows:

"The SELLER's liability is limited to defects in the Product present at the time of delivery and resulting from the SELLER's faulty material or workmanship. The defects liability period commences upon delivery and shall have a duration of 12 months."

Clause 28 is amended as follows:

"When a defect in a part of the Product has been remedied, the SELLER shall be liable for repaired or replaced parts under the same terms and conditions as were in force at the beginning of the original defects liability period for a period of one year. The warranty period for the remaining parts of the Product shall not be extended."

Clause 30 is amended as follows:

"On receipt of the notice under Clause 29, the SELLER shall remedy the defect within a reasonable period of time at his own expense in accordance with Clauses 23-39. The time for remedial work shall be agreed with the BUYER under consideration of the BUYER's production processes.

The third paragraph is amended as follows:

"If dismantling and installation of the defective part do not require any special knowledge, the SELLER may demand that the defective part be sent to his premises or another location he specifies. In such case, the SELLER shall have fulfilled his defects liability obligations when he delivers a duly repaired or replaced part to the BUYER."

Clause 37 is deleted

Clause 38 is amended as follows:

All defects liability obligations of the SELLER shall end one year as from the end of the original defects liability period referred to in Clause 27 or as from the end of any other warranty period agreed upon by the parties."

Clause 39 is amended as follows:

"Save as stipulated in Clauses 23-38, the SELLER shall not be liable for any defect in any part of the Product. The SELLER shall not be liable for any loss the defect may cause, including loss of production, loss of profit, or any indirect or consequential loss. This limitation of the SELLER's liability shall not apply in case of gross negligence."

Clause 40 is deleted

Clauses 41 to 43 are amended as follows:

"Force Majeure shall mean all foreseeable or unforeseeable events beyond the reasonable control of the parties and which have a negative effect on the execution of the Contract, such as acts of

authorities, sanctions, strikes, lockouts or other forms of industrial action, terrorism, war, insurrection, riots, lightning, earthquakes, fire, severe weather, forces of nature, flooding, sabotage, delays caused by transport, non-availability of means of transport, non-availability of loading and unloading facilities, labor or materials being unavailable from usual sources due to cases of Force Majeure, serious accidents at the SELLER's premises or those of his sub-suppliers, thefts, explosions, etc. If sub-suppliers of the SELLER are affected by cases of Force Majeure as specified in this clause, these cases shall also be considered Force Majeure affecting the SELLER.

Each party is entitled to suspend or reduce its activities (except the obligation to make payments due) to the extent that they are prevented or restricted due to Force Majeure, provided that the party affected informs the other party of this delay In Writing (e.g. e-mail or fax) in a timely manner. The obligations of the party affected will then be suspended or reduced for the duration of the Force Majeure event and for the time needed to resume the work. The schedules will be adapted to account for the delay.

If such suspension or reduction of the activities exceeds more than 4 consecutive months or more than 6 months within a 12-month period, both the BUYER and the SELLER shall be entitled to terminate the Contract In Writing. No delay or non-performance by either party caused by the occurrence of Force Majeure shall give rise to any claim for damages. Any and all claims and costs incurred prior to the occurrence of the Force Majeure event shall remain in full force and effect and will be set off.

Strike clause:

Labor disturbances at the installation site of the Product (if this work is included in the SELLER's scope of supply):

Strikes or other labor disturbances at the installation site of the Product that impede the work of the SELLER and are not caused by the SELLER (e.g. strikes by the BUYER's personnel or his sub-suppliers or by the personnel of the BUYER's sub-suppliers) shall entitle the SELLER to suspend its work and to an adequate extension of time as well as to reimbursement of additional costs."

CONSEQUENTIAL LOSSES – This section is amended as follows:

LIMITATIONS OF LIABILITY

Clause 45 is amended as follows:

"Notwithstanding any other provisions in the offer and Contract based thereon, the following limitations of liability shall apply:

- a) In no event shall the SELLER be liable to the BUYER for loss of use, loss of profits, loss of revenue, loss of production, loss of interest, losses due to plant shutdown or the inability to operate any facility at full capacity or increased expense of plant operations, in each case whether foreseeable or not, or for any indirect and/or consequential damages of any nature.
- b) The SELLER shall have no liability for hazardous materials, content or contamination or structures deviating from the expected status. Furthermore, the Supplier shall not be held liable for equipment or parts thereof, which is intended to be re-used in the project, but where it turns out during the project execution that the condition of the equipment or part thereof is deviating from the expected status.
- c) The aggregate liability of the SELLER arising out of the offer and under a Contract based on the offer, for whatever reasons (including payment of liquidated damages, compensation, warranty obligations, claims related to third party indemnities, make good obligations, etc.) shall not exceed 50% of the contract price.
- d) The sum of all liquidated damages (i.e. liquidated damages for delay plus any liquidated damages agreed for not achieving performance parameters) shall not exceed 10% of the contract price.
- e) All liabilities of the SELLER in connection with the offer as well as any Contract based on the offer shall expire not later than 6 months after expiry of the defects liability period.
- f) The limitations of liability shall not apply in cases of gross negligence, willful misconduct, bodily injury or death caused by the SELLER.

These limitations of liability shall have priority over all other provisions of the offer or any Contract based thereon.

If an offer or a Contract based thereon is subject to German law, the following shall apply in addition:

All promises (in particular descriptions of the scope of supply, features and technical data) and all terms in connection therewith employed in the offer or any Contract based thereon as well as all terms used in this connection (especially "guaranteed quality" or "guaranteed performance" – "zugesicherte Eigenschaften", "garantierte Leistung", (to) "guarantee", "guarantees", "guaranteed values") are not to be regarded as "Beschaffheitsgarantien" ("performance guarantees") in the sense of §§ 443, 444 or 639 of the German Civil code (BGB – Bürgerliches Gesetzbuch). All undertakings in the offer or any Contract based thereon are meant to be pure indications of the undertakings of the agreed qualities/features and performance characteristics, however, cannot be considered as "guarantees" /

Beschaffenheitsgarantien as per the said articles of law.

To the extent that any rights of the BUYER arise from the offer in the event of defective supplies and services – such as subsequent performance, replacement delivery, reduction and cancellation of the contract or any liquidated damages agreed – these rights shall not be affected by the above provision.”

DISPUTES AND APPLICABLE LAW

Clauses 46 and 47 are amended as follows:

“If the BUYER is located in Germany, any Contract based on the offer is subject to German substantive law. All disputes, discrepancies or claims arising out of the offer or a Contract based thereon, including their validity, violation or termination, shall be settled by the competent national court.

If the BUYER is not located in Germany, the offer and any Contract based thereon are subject to Swiss substantive law excluding the UN Convention on Contracts for the International Sale of Goods (CISG 1980) and the conflict of law rules.

Any dispute, controversy or claim arising out of, or in relation to the offer or a Contract based thereon, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be three. If the amount in dispute is less than € 150,000, the arbitral tribunal shall comprise one arbitrator only. The seat of the arbitration shall be Zurich. If the SELLER and BUYER do not speak German as their native language, the arbitration proceedings shall be conducted in English. The losing party shall bear the costs of the arbitration proceedings.”

Clause 48 is amended as follows:

“OTHER CONDITIONS

If performance parameters have been explicitly agreed upon, the following shall apply: If the performance parameters explicitly agreed are not achieved, the SELLER's liability shall be limited to payment of liquidated damages according to the acceptance test certificate of the SELLER. The aggregate amount of liquidated damages shall not exceed 5% of the contract price. Liquidated damages shall be the BUYER's sole and exclusive remedy for failure to meet performance parameters.

The SELLER shall not make any changes to the Product unless such changes are agreed in a written change order by the parties. The contract price and terms of delivery will be adapted accordingly in the course of such change order.

The SELLER must notify the BUYER of any requests and /or agreed changes to the Product within a reasonable period of time but not less than 15 working days after gaining knowledge thereof.

A Contract shall only enter into force between the BUYER and the SELLER or their respective legal successors. The Contract or the rights and obligations arising out of a Contract must not be assigned by one party without the other party agreeing thereto In Writing.

A Contract concluded between the SELLER and the BUYER contains the entire agreement between the parties concerning the Product and replaces all previous verbal and written agreements between the BUYER and the SELLER in relation to the subject matter as well as all previous procedures or commercial practices that have not been expressly included in the Contract. The order of precedence of the Contract documents will be included in the purchase order.

The Contract may only be modified, supplemented or corrected in a document signed by an authorized representative of each party.”



ORGALIME

Appendix attached to the ORGALIME GENERAL CONDITIONS S 2012 regarding the application of German law

Where the Contract is governed by German Law (cf. clause 47 of the ORGALIME Conditions), the present Amendment shall apply jointly with the ORGALIME Conditions in order to pay due regard to the provisions of the German Civil Code *BGB* concerning standard business conditions.

Note: The "Convention on Contracts for the International Sale of Goods" - usually named as Vienna Convention of April 11th 1980 - might be applied to the Contract. If this is not the intention of the Parties, a stipulation to the contrary will have to be expressly mentioned and agreed upon.

regarding clause 14, para 5:

is deleted

regarding clause 16 second sentence (to be replaced by the following):

"All other claims against the Supplier based on such delay shall be excluded, except where the Supplier has been guilty of a negligent breach of a fundamental condition of the contract ("*wesentliche Vertragspflichten*"), intent or Gross Negligence according to Clause 2."

regarding clause 27 (amendment):

"Claims for reimbursement of expenses of the Purchaser according to Sec. 445a *BGB* (recourse of the seller) also become statute-barred 12 months after the beginning of the statutory limitation period, provided that the last contract in the supply chain is not for a sale of consumer goods. The statutory provisions regarding suspension of the statute of limitations (specifically Sec. 445b *BGB*), suspension and recommencement of limitation periods remain unaffected."

regarding clause 30, para 3, sentence 2:

is deleted

regarding clause 38 (amendment):

"Claims for reimbursement of expenses of the Purchaser according to Sec. 445a *BGB* (recourse of the seller) also become statute-barred 12 months after the beginning of the statutory limitation period, provided that the last contract in the supply chain is not for a sale of consumer goods. The legal provisions regarding suspension of the statute of limitations (specifically Sec. 445b *BGB*), suspension and recommencement of limitation periods remain unaffected."

regarding clause 39 (to be replaced by the following):

"Save as stipulated in Clauses 23-38, the Supplier shall not be liable for defects. This applies to any loss the defect may cause including loss of production, loss of profit and other indirect loss. This limitation of the Supplier's liability shall not apply if he has been guilty of intent or Gross Negligence as defined in Clause 2 or if the Supplier negligently causes damage to life, body or health.

Furthermore, the limitation of liability shall not apply in cases of negligent breach of a fundamental condition of the contract ("*wesentliche Vertragspflichten*"). In the case of slight negligence, the Supplier shall be liable only for reasonably foreseeable damage which is intrinsic to the contract.

Nor shall the said limitation of liability apply in the cases of strict liability under the Product Liability Act ("*Produkthaftungsgesetz*"), for defects of the Product causing death or personal injury, or damage to items of property used privately. Furthermore, the said limitation of liability shall not apply in the case of defects the Supplier has fraudulently concealed or whose absence he has guaranteed."

regarding clause 40:

is deleted

regarding clause 45 (amendment):

"The said exclusion of liability shall not apply in the case of intent or Gross Negligence under Clause 2 or if the Supplier negligently causes damage to life, body or health. Furthermore, the exclusion of liability shall not apply in cases of negligent breach of a fundamental condition of the contract ("*wesentliche Vertragspflichten*"). In the case of a slightly negligent breach of a fundamental condition of the contract, the Supplier shall be liable only for reasonably foreseeable damage which is intrinsic to the contract.

Nor shall the exclusion of liability apply in cases of strict liability under the Product Liability Act ("*Produkthaftungsgesetz*"), for defects of the Product causing death or personal injury, or damage to items of property used privately. Neither does the said exclusion apply in the case of damage attributable to fraudulent concealment or under a specific guarantee granted."

October 2018



GENERAL CONDITIONS for the SUPPLY OF MECHANICAL, ELECTRICAL AND ELECTRONIC PRODUCTS

Brussels, March 2012

PREAMBLE

1. These General Conditions shall apply when the parties agree In Writing or otherwise thereto. Any modifications of or deviations from them must be agreed In Writing.

DEFINITIONS

2. In these General Conditions the following terms shall have the meanings hereunder assigned to them:

- **“Contract”**: the agreement In Writing between the parties concerning supply of the Product and all appendices, including agreed amendments and additions In Writing to the said documents;

- **“Gross Negligence”**: an act or omission implying either a failure to pay due regard to serious consequences, which a conscientious contracting party would normally foresee as likely to ensue, or a deliberate disregard of the consequences of such an act or omission;

- **“In Writing”**: communication by document signed by both parties or by letter, fax, electronic mail and by such other means as are agreed by the parties;

- **“the Product”**: the object(s) to be supplied under the Contract, including software and documentation.

PRODUCT INFORMATION

3. All information and data contained in general product documentation and price lists shall be binding only to the extent that they are by reference In Writing expressly included in the Contract.

DRAWINGS AND TECHNICAL INFORMATION

4. All drawings and technical documents relating to the Product or its manufacture submitted by one party to the other, prior or subsequent to the formation of the Contract, shall remain the property of the submitting party.

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to a third party.

5. The Supplier shall, not later than at the date of delivery, provide free of charge information and drawings which are necessary to permit the Purchaser to install, commission, operate and maintain the Product. Such information and drawings shall be supplied in the number of copies agreed upon or at least one copy of each. The Supplier shall not be obliged to provide manufacturing drawings for the Product or for spare parts.

ACCEPTANCE TESTS

6. Acceptance tests provided for in the Contract shall, unless otherwise agreed, be carried out at the place of manufacture during normal working hours.

If the Contract does not specify the technical requirements, the tests shall be carried out in accordance with general practice in the appropriate branch of industry concerned in the country of manufacture.

7. The Supplier shall notify the Purchaser In Writing of the acceptance tests in sufficient time to permit the Purchaser to be represented at the tests. If the Purchaser is not represented, the test report shall be sent to the Purchaser and shall be accepted as accurate.

8. If the acceptance tests show the Product not to be in accordance with the Contract, the Supplier shall without delay remedy any deficiencies in order to ensure that the Product complies with the Contract. New tests shall then be carried out at the Purchaser's request, unless the deficiency was insignificant.

9. The Supplier shall bear all costs for acceptance tests carried out at the place of manufacture. The Purchaser shall however bear all travelling and living expenses for his representatives in connection with such tests.

DELIVERY. PASSING OF RISK

10. Any agreed trade term shall be construed in accordance with the INCOTERMS® in force at the formation of the Contract.

If no trade term has been specifically agreed, the delivery shall be Free Carrier (FCA) at the place named by the Supplier.

If, in the case of delivery Free Carrier, the Supplier, at the request of the Purchaser, undertakes to send the Product to its destination, the risk will pass not later than when the Product is handed over to the first carrier.

Partial delivery shall not be permitted, unless otherwise agreed.

TIME FOR DELIVERY. DELAY

11. If the parties, instead of specifying the date for delivery, have specified a period of time within which delivery shall take place, such period shall start to run as soon as the Contract is entered into and all agreed preconditions to be fulfilled by the Purchaser have been satisfied, such as official formalities, payments due at the formation of the Contract and securities.

12. If the Supplier anticipates that he will not be able to deliver the Product at the time for delivery, he shall forthwith notify the

Purchaser thereof In Writing, stating the reason and, if possible, the time when delivery can be expected.

If the Supplier fails to give such notice, the Purchaser shall be entitled to compensation for any additional costs which he incurs and which he could have avoided had he received such notice.

13. If delay in delivery is caused by any of the circumstances mentioned in Clause 41, by an act or omission on the part of the Purchaser, including suspension under Clauses 21 and 44, or any other circumstances attributable to the Purchaser, the Supplier shall be entitled to extend the time for delivery by a period which is necessary having regard to all the circumstances of the case. This provision shall apply regardless of whether the reason for the delay occurs before or after the agreed time for delivery.

14. If the Product is not delivered at the time for delivery, the Purchaser shall be entitled to liquidated damages from the date on which delivery should have taken place.

The liquidated damages shall be payable at a rate of 0.5 per cent of the purchase price for each commenced week of delay. The liquidated damages shall not exceed 7.5 per cent of the purchase price.

If only part of the Product is delayed, the liquidated damages shall be calculated on that part of the purchase price which is attributable to such part of the Product as cannot in consequence of the delay be used as intended by the parties.

The liquidated damages shall become due at the Purchaser's demand In Writing but not before delivery has been completed or the Contract is terminated under Clause 15.

The Purchaser shall forfeit his right to liquidated damages if he has not lodged a claim In Writing for such damages within six months after the time when delivery should have taken place.

15. If the delay in delivery is such that the Purchaser is entitled to maximum liquidated damages under Clause 14 and if the Product is still not delivered, the Purchaser may In Writing demand delivery within a final reasonable period which shall not be less than one week.

If the Supplier does not deliver within such final period and this is not due to any circumstances which are attributable to the Purchaser, then the Purchaser may by notice In Writing to the Supplier terminate the Contract in respect of such part of the Product as cannot in consequence of the Supplier's failure to deliver be used as intended by the parties.

If the Purchaser terminates the Contract he shall be entitled to compensation for the loss he suffers as a result of the Supplier's delay, including any consequential and indirect loss. The total compensation, including the liquidated damages which are payable under Clause 14, shall not exceed 15 per cent of that part of the purchase price which is attributable to the part of the Product in respect of which the Contract is terminated.

The Purchaser shall also have the right to terminate the Contract by notice In Writing to the Supplier, if it is clear from the circumstances that there will occur a delay in delivery which, under Clause 14, would entitle the Purchaser to maximum liquidated damages. In case of termination for this reason, the Purchaser shall be entitled to maximum liquidated damages and compensation under the third paragraph of this Clause 15.

16. Liquidated damages under Clause 14 and termination of the Contract with limited compensation under Clause 15 shall

be the only remedies available to the Purchaser in case of delay on the part of the Supplier. All other claims against the Supplier based on such delay shall be excluded, except where the Supplier has been guilty of Gross Negligence.

17. If the Purchaser anticipates that he will be unable to accept delivery of the Product at the time for delivery, he shall forthwith notify the Supplier In Writing thereof, stating the reason and, if possible, the time when he will be able to accept delivery.

If the Purchaser fails to accept delivery at the time for delivery, he shall nevertheless pay any part of the purchase price which becomes due at the time for delivery, as if delivery had taken place at the time for delivery. The Supplier shall arrange for storage of the Product at the risk and expense of the Purchaser. The Supplier shall also, if the Purchaser so requires, insure the Product at the Purchaser's expense.

18. Unless the Purchaser's failure to accept delivery is due to any such circumstance as mentioned in Clause 41, the Supplier may by notice In Writing require the Purchaser to accept delivery within a final reasonable period.

If, for any reason which is not attributable to the Supplier, the Purchaser fails to accept delivery within such period, the Supplier may by notice In Writing terminate the Contract in whole or in part. The Supplier shall then be entitled to compensation for the loss he suffers by reason of the Purchaser's default, including any consequential and indirect loss. The compensation shall not exceed that part of the purchase price which is attributable to that part of the Product in respect of which the Contract is terminated.

PAYMENT

19. Payment shall be made within 30 days after the date of invoice.

Unless otherwise agreed, the purchase price shall be paid with one third at the formation of the Contract and one third when the Supplier notifies the Purchaser that the Product, or the essential part of it, is ready for delivery. The remaining part of the purchase price shall be paid when the entire Product is delivered.

20. Whatever the means of payment used, payment shall not be deemed to have been effected before the Supplier's account has been irrevocably credited for the amount due.

21. If the Purchaser fails to pay by the stipulated date, the Supplier shall be entitled to interest from the day on which payment was due and to compensation for recovery costs. The rate of interest shall be as agreed between the parties or otherwise 8 percentage points above the rate of the main refinancing facility of the European Central Bank. The compensation for recovery costs shall be 1 per cent of the amount for which interest for late payment becomes due.

In case of late payment and in case the Purchaser fails to give an agreed security by the stipulated date the Supplier may, after having notified the Purchaser In Writing, suspend his performance of the Contract until he receives payment or, where appropriate, until the Purchaser gives the agreed security.

If the Purchaser has not paid the amount due within three months the Supplier shall be entitled to terminate the Contract by notice In Writing to the Purchaser and, in addition to the interest and compensation for recovery costs according to this Clause, to claim compensation for the loss he incurs. Such compensation shall not exceed the agreed purchase price.

RETENTION OF TITLE

22. The Product shall remain the property of the Supplier until paid for in full to the extent that such retention of title is valid under the relevant law.

The Purchaser shall at the request of the Supplier assist him in taking any measures necessary to protect the Supplier's title to the Product.

The retention of title shall not affect the passing of risk under Clause 10.

LIABILITY FOR DEFECTS

23. Pursuant to the provisions of Clauses 24-39, the Supplier shall remedy any defect or nonconformity (hereinafter termed defect(s)) resulting from faulty design, materials or workmanship.

24. The Supplier shall not be liable for defects arising out of materials provided or a design stipulated or specified by the Purchaser.

25. The Supplier shall only be liable for defects which appear under the conditions of operation provided for in the Contract and under proper use of the Product.

26. The Supplier shall not be liable for defects caused by circumstances, which arise after the risk has passed to the Purchaser, e.g. defects due to faulty maintenance, incorrect installation or faulty repair by the Purchaser or to alterations carried out without the Supplier's consent In Writing. The Supplier shall neither be liable for normal wear and tear nor for deterioration.

27. The Supplier's liability shall be limited to defects which appear within a period of one year from delivery. If the use of the Product exceeds that which is agreed, this period shall be reduced proportionately.

28. When a defect in a part of the Product has been remedied, the Supplier shall be liable for defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Product for a period of one year. For the remaining parts of the Product the period mentioned in Clause 27 shall be extended only by a period equal to the period during which and to the extent that the Product could not be used as a result of the defect.

29. The Purchaser shall without undue delay notify the Supplier In Writing of any defect which appears. Such notice shall under no circumstances be given later than two weeks after the expiry of the period given in Clause 27 or the extended period(s) under Clause 28, where applicable.

The notice shall contain a description of the defect.

If the Purchaser fails to notify the Supplier In Writing of a defect within the time limits set forth in the first paragraph of this Clause, he shall lose his right to have the defect remedied.

Where the defect is such that it may cause damage, the Purchaser shall immediately inform the Supplier In Writing. The Purchaser shall bear the risk of damage to the Product resulting from his failure so to notify. The Purchaser shall take reasonable measures to minimise damage and shall in that respect comply with instructions of the Supplier.

30. On receipt of the notice under Clause 29 the Supplier shall at his own cost remedy the defect without undue delay, as

stipulated in Clauses 23-39. The time for remedial work shall be chosen in order not to interfere unnecessarily with the Purchaser's activities.

Repair shall be carried out at the place where the Product is located unless the Supplier deems it more appropriate that the Product is sent to him or a destination specified by him.

If the defect can be remedied by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, the Supplier may demand that the defective part is sent to him or a destination specified by him. In such case the Supplier shall have fulfilled his obligations in respect of the defect when he delivers a duly repaired part or a part in replacement to the Purchaser.

31. The Purchaser shall at his own expense provide access to the Product and arrange for any intervention in equipment other than the Product, to the extent that this is necessary to remedy the defect.

32. Unless otherwise agreed, necessary transport of the Product or parts thereof to and from the Supplier in connection with the remedying of defects for which the Supplier is liable shall be at the risk and expense of the Supplier. The Purchaser shall follow the Supplier's instructions regarding such transport.

33. Unless otherwise agreed, the Purchaser shall bear any additional costs which the Supplier incurs for remedying the defect caused by the Product being located in a place other than the destination stated at the formation of the Contract for the Supplier's delivery to the Purchaser or – if no destination has been stated – the place of delivery.

34. Defective parts which have been replaced shall be made available to the Supplier and shall be his property.

35. If the Purchaser has given such notice as mentioned in Clause 29 and no defect is found for which the Supplier is liable, the Supplier shall be entitled to compensation for the costs he incurs as a result of the notice.

36. If the Supplier does not fulfil his obligations under Clause 30, the Purchaser may by notice In Writing fix a final reasonable period for completion of the Supplier's obligations, which shall not be less than one week.

If the Supplier fails to fulfil his obligations within such final period, the Purchaser may himself undertake or employ a third party to undertake necessary repair work at the risk and expense of the Supplier.

Where successful repair work has been undertaken by the Purchaser or a third party, reimbursement by the Supplier of reasonable costs incurred by the Purchaser shall be in full settlement of the Supplier's liabilities for the said defect.

37. Where the Product has not been successfully repaired, as stipulated under Clause 36,

a) the Purchaser shall be entitled to a reduction of the purchase price in proportion to the reduced value of the Product, provided that under no circumstances shall such reduction exceed 15 per cent of the purchase price, or

b) where the defect is so substantial as to significantly deprive the Purchaser of the benefit of the Contract as regards the Product or a substantial part of it, the Purchaser may terminate

the Contract by notice In Writing to the Supplier in respect of such part of the Product as cannot in consequence of the defect be used as intended by the parties. The Purchaser shall then be entitled to compensation for his loss, costs and damages up to a maximum of 15 per cent of that part of the purchase price which is attributable to the part of the Product in respect of which the Contract is terminated.

38. Notwithstanding the provisions of Clauses 23-37 the Supplier shall not be liable for defects in any part of the Product for more than one year from the end of the liability period referred to in Clause 27 or from the end of any other liability period agreed upon by the parties.

39. Save as stipulated in Clauses 23-38, the Supplier shall not be liable for defects. This applies to any loss the defect may cause including loss of production, loss of profit and other indirect loss. This limitation of the Supplier's liability shall not apply if he has been guilty of Gross Negligence.

ALLOCATION OF LIABILITY FOR DAMAGE CAUSED BY THE PRODUCT

40. The Supplier shall not be liable for any damage to property caused by the Product after it has been delivered and whilst it is in the possession of the Purchaser. Nor shall the Supplier be liable for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part.

If the Supplier incurs liability towards any third party for such damage to property as described in the preceding paragraph, the Purchaser shall indemnify, defend and hold the Supplier harmless.

If a claim for damage as described in this Clause is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof In Writing.

The Supplier and the Purchaser shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal examining claims for damages lodged against one of them on the basis of damage allegedly caused by the Product. The liability between the Supplier and the Purchaser shall however be settled in accordance with Clause 46.

The limitation of the Supplier's liability in the first paragraph of this Clause shall not apply where the Supplier has been guilty of Gross Negligence.

FORCE MAJEURE

41. Either party shall be entitled to suspend performance of his obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties

such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause.

A circumstance referred to in this Clause whether occurring prior to or after the formation of the Contract shall give a right to suspension only if its effect on the performance of the Contract could not be foreseen at the time of the formation of the Contract.

42. The party claiming to be affected by Force Majeure shall notify the other party In Writing without delay on the intervention and on the cessation of such circumstance. If a party fails to give such notice, the other party shall be entitled to compensation for any additional costs which he incurs and which he could have avoided had he received such notice.

If Force Majeure prevents the Purchaser from fulfilling his obligations, he shall compensate the Supplier for expenses incurred in securing and protecting the Product.

43. Regardless of what might otherwise follow from these General Conditions, either party shall be entitled to terminate the Contract by notice In Writing to the other party if performance of the Contract is suspended under Clause 41 for more than six months.

ANTICIPATED NON-PERFORMANCE

44. Notwithstanding other provisions in these General Conditions regarding suspension, each party shall be entitled to suspend the performance of his obligations under the Contract, where it is clear from the circumstances that the other party is not going to perform his obligations. A party suspending his performance of the Contract shall forthwith notify the other party thereof In Writing.

CONSEQUENTIAL LOSSES

45. Save as otherwise stated in these General Conditions there shall be no liability for either party towards the other party for loss of production, loss of profit, loss of use, loss of contracts or for any other consequential or indirect loss whatsoever.

DISPUTES AND APPLICABLE LAW

46. All disputes arising out of or in connection with the Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.

47. The Contract shall be governed by the substantive law of the Supplier's country.