

General Contractual Terms and Conditions for installation and similar services

VECOPLAN AG; Vor der Bitz 10; 56470 Bad Marienberg

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§ 1 Scope and general

- 1.1. Only the following contractual terms and conditions apply to all purchase orders, conclusions and call-offs for installation and similar services (e.g. service, servicing, maintenance, repairs, commissioning etc.) from Vecoplan AG (hereinafter: Client) with or without delivery of items, irrespective of whether the contractual services is work or service.
- 1.2. Amendments and additions to these terms and conditions require the Client's prior written agreement. The Client will not accept other General Business Terms and Conditions, unless he has expressly agreed to their application in writing. These Contractual terms and conditions will also apply if the Client accepts without reservation the Contractor's services with cognizance of the Contractor's terms and conditions which conflict with, or deviate from, these Contractual terms and conditions.
- 1.3. These terms and conditions will also apply to all future business transactions with the Contractor.
- 1.4. The Contractor and his employees shall not enter into an employment relationship with the Client or its customer, even if they are deployed on the premises of the Client or of his customer.

§ 2 Conclusion of contracts

- 2.1 Agreements regarding the performance of installation or similar services will be concluded by the order letter and the acceptance declaration with reference to these General Contractual Terms and Conditions. A purchase order is also deemed to be accepted when the Contractor commences the performance of the services upon receipt of the purchase order without objecting to the latter. If the Contractor does not accept the purchase order or does not commence the performance of the services within two weeks from receipt, the Client is entitled to cancel.
- 2.2 Agreements are only effective if they contain a minimum of one service description and one remuneration provision.

§ 3 Service performance

- 3.1 The content of the Contractor's service obligations derives from the individual agreements or purchase orders to be concluded in each case. The Client or his customer will provide the Contractor with all the necessary documents and information required for contract fulfilment. If the Contractor does not consider the information and requirements received to be adequate or complete, he must inform the Client without undue delay.
- 3.2 The Contractor will provide his services using the latest state-of-the-art technology under his own responsibility

and employing qualified employees and subcontractors. However, the Contractor will only use sub-contractors to fulfil the respective contract with the Client's prior approval. Such approval may only be refused for factual reasons.

- 3.3 The Client shall be entitled to request changes or additions to the work to be provided in accordance with the respective individual contract or purchase order or to the services which have to be provided accordingly unless this cannot reasonably be expected of the Contractor. Should such changes or additions make any major alteration to the structure of the contractual performance, each contracting party shall be entitled to request corresponding adjustments to the contractual provisions/purchase order.
- 3.4 The Contractor is obliged to arrange to notify the Client and the local site management or the end-customer immediately of all services in excess of the defined scope upon occurrence. Otherwise, additional requirements at a later date cannot be accepted.
- 3.5 Any cooperation obligations by the Client, for example through the provision of personnel, facilities, equipment, software, test data, computing times and workstations exist in the scope defined in the respective agreement.
- 3.6 With regard to works to be carried out during the winter period, all precautions shall be taken for a technically smooth and continuous process. There will be no separate remuneration for this purpose.
- 3.7 To the extent that the Contractor, his employees or subcontractors are deployed directly on the premises of the Client's customers during the execution of an individual contract or a purchase order, they shall be deemed to work there not on their own behalf, but exclusively on behalf of the Client. However, they shall only be entitled to represent the Client with his prior written agreement. The affixing of the Contractor's company logos is not permitted.

§ 4 Reporting obligations

- 4.1 The Contractor shall report to the Client in writing upon request, however, at least once a month, about the actual and target status of the project works in each case in relation to performance, costs and deadlines, within reason (project reports). On the other hand, any disruptions to the works shall be notified in writing without undue delay if it is feared that the scheduled completion deadline or agreed intermediate deadlines cannot be maintained. The Contractor shall also undertake to submit the working time record for the respective month, signed by the customer, to the Client at the end of each calendar month.

4.2 In deviation from the aforementioned provision, a different procedure may be agreed in the individual agreement or in the purchase order (for example, weekly or fortnightly activity reports, project meetings, discussions, etc.). Depending on the nature of the project, work records may also be signed by the Client once the results which have been achieved have been checked (by the Client and/or the customer).

§ 5 Site facilities

- 5.1 Site facilities shall be agreed with the Client's site management taking any official requirements into consideration.
- 5.2 The setting-up, provision and maintenance and also the dismantling of the entire site facilities are included in the agreed total price.
- 5.3 Storage areas shall be agreed with the Client's site management and will be available to an adequate extent as a rule.
- 5.4 The Contractor shall familiarise himself with the locality and the available space with regard to all necessary matters prior to start of his work.
- 5.5 Should it be necessary due to the local conditions that sections need to be burnt off or welded, this can only be carried out with the respective welding permit which shall be obtained from the Client.

§ 6 Utility connections

The Client shall provide connections for power and water. The costs incurred will be allocated proportionately and charged to the Contractor and deducted from the final invoice. This will only apply if the Client himself is charged for the costs of the water and power supply.

§ 7 Site cleaning

- 7.1 Thorough tidying and cleaning of the installation areas including the removal and taking away of building waste, residual materials and all waste packaging, including all disposal costs, are included in the agreed remuneration.
- 7.2 The cleaning shall be carried out in accordance with the site management's instructions, however, once a week as a minimum. The Contractor shall request the site management to certify the proper cleanliness and evacuation of the site.

§ 8 Safety measures

- 8.1 Any necessary safety works to prevent damage which could arise due to other construction companies on site are included in the Contractor's scope of contractual obligations.
- 8.2 The execution of safety measures to comply with accident prevention and other statutory and official regulations which affect the site is also included in the Contractor's contractual obligations. This also includes providing employees and subcontractors with the necessary protection equipment to perform the services.

8.3 The Contractor shall ensure that the employees and subcontractors and their employees he commissions to perform the services have the necessary personal and activity related certificates, permits and licences to perform the services.

§ 9 Coordination obligation

The Contractor will coordinate with the other contractors working on the project to enable smooth processing of the works. Deficient performance of preliminary works which could hinder the execution of the Contractor's services or reduce their quality shall be notified to the Client in writing without undue delay and clarified prior to contract performance or continuation.

§ 10 Remuneration

- 10.1 All the services and rights to be provided by the Contractor for the project/work concerned are settled upon payment of the agreed remuneration. If remuneration by time is agreed in the individual contract or purchase order, proof of performance shall be provided by the Contractor in accordance with the activity, project progress and travel cost reports or delivery notes provided by the Client for this purpose. The Contractor will submit an invoice for his services on the last day of each month or upon completion of the service, whereby the terms agreed in the individual contract or purchase order shall be complied with. The due date for payment is specified in the individual contract or the purchase order.
- 10.2 The Contractor's monthly invoices must always be dated the last day of the respective month. Where value-added tax applies, this must be shown separately.
- 10.3 Remuneration shall not be paid for presentation and acquisition talks which are held at the Client's premises or at those of his customer, as well as for induction or training sessions and preliminary meetings to determine the scope of supply and reporting times. Travel times will be recompensed in accordance with the purchase order.

§11 Minimum wage, contractual penalty

- 11.1 The contractor shall undertake to comply with the requirements of the Law on the Regulation of the General Minimum Wage (Minimum Wage Act).
- 11.2 In particular, the contractor shall undertake when deploying subcontractors to also ensure that they make a contractual undertaking to the contractor to pay the statutory minimum wage and, for their part, to also incorporate an identical undertaking into their contracts if they engage the services of further subcontractors.
- 11.3 The contractor shall undertake to provide the client with verification every month that the statutory minimum wage has been paid. The contractor shall also undertake to require its subcontractors to comply with corresponding duties to provide verification.
- 11.4 In the event of any culpable breach of the duties set out in articles 11.1, 11.2 or 11.3, the contractor shall un-

undertake to pay the client a contractual penalty of 3% of the agreed fee in accordance with article 10, albeit not exceeding thirty thousand euros. The client shall reserve the right to assert claims for further loss. Any contractual penalty paid shall be offset against any claim for compensation.

- 11.5 Furthermore, if the contractor acts in breach its duties under articles 11.1, 11.2 or 11.3, the client shall reserve the right to exercise extraordinary termination of the contract.

§ 12 Acceptance and liability for defects

- 12.1 Insofar as nothing else is agreed between the parties by reason of the performance content, the Contractor's services will be formally accepted upon total completion. Any defects established during acceptance will be remedied by the Contractor without undue delay. An acceptance report shall be produced and signed by the Client and Contractor. Acceptance will take place by reason of the performance content in cases where the transferred services essentially have a work contractual character (e.g. installation, servicing, maintenance, repairs, commissioning).
- 12.2 The Client can arrange to have defects remedied prior to acceptance at the Contractor's cost, if the Contractor does not remedy the defects reported by the Client despite a reasonable deadline.
- 12.3 The Contractor will accept warranty of fitness and title for the deliveries and services provided for a period of 24 months. This period will commence upon acceptance of the total works by the enduser, however three months at the latest from acceptance of the Contractor's services. Insofar as the transferred services essentially have a service contractual character (service provision), the duration and start of the warranty will comply with statutory regulations.
- 12.4 The Contractor shall indemnify the Client against any claims which are asserted against the Client but for which the Contractor is responsible on account of his services and/or deliveries or in connection therewith.

§ 13 Insurance

- 13.1 The Contractor shall undertake to arrange and maintain appropriate third-party liability insurance, including product and environmental liability, with cover of at least € 2.5 million per claim overall for personal injury as well as for damage to property and assets. In the event that services are provided and/or materials delivered abroad, the Contractor shall ensure that this insurance cover also applies to damages which occur abroad.
- 13.2 Insofar as the customer or the enduser does not provide installation insurance, the Client shall as a rule arrange installation insurance for construction, installation and commissioning, whereby its conditions shall comply with the German "General Installation Insurance Terms & Conditions" (AMoB) with industry standard

clauses. In this case, the interests of the Contractor in respect of his performance and/or delivery share will be co-insured with the proviso that the Contractor shall be required to pay the Client's contribution of €15,000 maximum per claim per occurrence of damage. The Contractor may contact the Client to enquire about the existence and extent of cover of the insurance protection which is in place in the specific case.

- 13.3 All damages shall be reported in writing without undue delay to the Client or to its site management on the spot.

§ 14 Miscellaneous

- 14.1 Neither the Client nor the Contractor is entitled to transfer or assign to third parties, either wholly or partly, rights and obligations, in particular accounts receivable from the respective contracting party, without the written agreement of the contracting party.
- 14.2 An individual agreement between the parties will remain binding in case of doubt in the event of legal invalidity or unenforceability of individual or several provisions of these terms and conditions. Invalid or unenforceable provisions shall be replaced by provisions which approximate as far as possible to the desired economic outcome.
- 14.3 Place of performance and jurisdiction for both parties is the Client's registered office in Bad Marienberg. Current German law shall apply with regard to all legal relations between Contractor and Client.
- 14.4 Should provisions in completed individual contracts and in these General Contractual Terms and Conditions conflict on specific points, the provisions of the respective individual contract shall take precedence.