

## GENERAL TERMS AND CONDITIONS OF SUPPLY

1. Apart from points addressed separately, offers and orders are subject to the "General Conditions for the Supply of Mechanical, Electrical and Electronic Products, Brussels, March 2012" - ORGALIME S 2012.
2. We provide a warranty for the components developed, manufactured and supplied by us for a period of 6 months in single shift operations.
  - a. Bought-in parts not developed and manufactured by us and trade goods are subject to the warranty terms supplied by the respective manufacturer as agreed for the particular case.
  - b. The warranty term begins with the date of delivery to the buyer.
  - c. Where it is agreed that HELLMERICH will provide assembly services and commissioning, the warranty begins with the date on which the handover to the operator ready for use takes place. If reasons for which HELLMERICH is not responsible should make a handover within the specified period impossible, the warranty shall begin after this circumstance takes place, however at the latest 4 weeks after the contractual item is delivered.
3. Prices:
  - a. EXW according INCOTRMS 2010 excluding packaging, shipment and insurance,
  - b. Plus the statutory value added tax in force on the day of delivery.
  - c. For small volume purchases lower € 300,- we invoice an extra charge of € 70,-.
4. Payment is due net of deductions by the buyer:
  - a. For component supplies:
    - 30% after receipt of order confirmation and receipt of invoice
    - 60% on receipt of notification of readiness for dispatch
    - Remainder within one further month
    - Payment terms all promptly net
  - b. For spare parts supplies: promptly net after dispatch of the goods
  - c. The withholding of payments or offsetting of any asserted counterclaims by the buyer are not permitted.
5. Reservation of Ownership
  - a. We reserve the right of title to the items supplied until all payments arising from the contract for delivery have been received. In the event that the buyer does not meet his contractual obligations, and particularly in cases of failure to pay on the due date, we shall be entitled to withdraw from the contract and demand the return of the item supplied; the buyer shall be obliged to surrender the item.
  - b. In the event of attachments or other third party interventions, the buyer is obliged to inform us without delay in order that we may protect our rights as regards the item.
  - c. Any application to initiate insolvency proceedings shall entitle us to withdraw from the contract and to request the immediate return of the item supplied.

Extended and expanded reservation of ownership shall apply additionally to resellers (dealers) and processing companies (systems integrators and machine manufacturers).
6. Extended Reservation of Ownership
  - a. See under item "Reservation of Ownership"
  - b. The buyer is entitled to resell the supplied item during the proper course of business. In the event that the supplied goods are resold, any claims arising from the resale shall be assigned to us until full payment of the supplied goods subject to reservation of ownership. The buyer assigns to us, at the present point in time, all claims to the amount of our claim's invoice value, or to the value of the supplied goods that are subject to reservation of ownership which he accrues by the resale to a third party. We accept this assignment. Following the assignment the buyer shall be authorised to collect the claim. We reserve the right to collect the claim ourselves as soon as the buyer does not properly meet his payment obligations and fails to pay on the due date.
  - c. In addition we are entitled by written declaration to revoke the buyer's powers of sale if he defaults on meeting his obligations to us, and particularly if he defaults on payments, or if any other circumstances come to light which may cast doubt onto his creditworthiness.
  - d. In the event that the supplied item is linked to a real estate property, the buyer shall assign to us the claim for security which accrues to him against a third party as a result of this link.

- e. We undertake to release the securities that we are entitled to on the buyer's request provided that their value exceeds the claims to be secured by more than 20%.
7. Expanded Reservation of Ownership
- a. See under "Extended Reservation of Ownership"
  - b. The buyer is entitled to process the supplied item. The adaptation and processing by the buyer of the goods that are subject to reservation of ownership supplied by us is always conducted on our behalf. We acquire joint ownership of the new goods that result from processing. The extent of joint ownership results in proportion to the value of the items delivered by us as compared to the new goods.
  - c. In the event that our goods, which are subject to reservation of ownership, are processed with items that do not belong to us or become inseparable from such items, we acquire joint ownership of the new goods. The extent of joint ownership results in proportion to the value of the items delivered by us as compared to the new goods.
8. Delivery period:
- a. This period begins with the sending of the order confirmation and shall be taken as having been met if the delivery item has left our plant by the expiry of this period or readiness for dispatch has been notified.
  - b. The delivery period shall be extended appropriately if documents, sample parts or other supplies from the buyer which are essential for the project have not been received by us in good time before the agreed deadline. The buyer shall be liable for the correctness and completeness of the above-mentioned supplies.
  - c. The delivery period shall also be extended if, for example, drawings submitted to the buyer for approval are not promptly checked, approved and returned to us.
  - d. Compensation for any delays in supply will only be paid if this is expressly agreed in the purchase agreement. This will amount to a maximum of 0.5 % per week, but at the most 5 % of the agreed value of the goods of the undelivered portion of a total delivery.
  - e. If compensation for delays is specified contractually, at the same time the buyer on his part undertakes to pay us storage costs if the delivery is delayed at his request or his fault. These shall come to a maximum of 0.5 % per month of the agreed value of the goods.
9. Prices will be maintained for all offers for 3 months from the date of the offer. Otherwise our offers remain subject to change.
10. Acceptances strictly take place on our premises.
- a. HELLMERICH provides upon request a measurement protocol prior to shipment. With this proof of compliance with customer specifications the product is considered accepted.
  - b. The costs of the acceptance itself will be borne by HELLMERICH provided no special requirements are presented by the buyer in terms of the duration and scope.
  - c. The buyer himself shall bear the costs of the buyer's acceptance personnel.
11. Special agreements for the design of special equipment which is customised for a special purpose of the buyer:
- a. In the event of an overshoot of the deadline due to unforeseen circumstances of a structural or technical nature, we can only fall into arrears following the expiry of a suitable period of grace appropriate to the special circumstances.
  - b. The item to be supplied is suitable for acceptance if it can provide an appropriate performance taking account of the respective technical difficulties, the material to be processed and the financial benefit for the buyer. If the item to be supplied remains below the agreed performance data, the buyer can demand a reduction insofar as this appears fair.
  - c. If the assumptions which were stipulated by the customer at the time the agreement was concluded, or which have been accepted by us without gross negligence as given, have changed (such as technical boundary conditions, process parameters, technical and on-site situation at the place of assembly or erection), so that it is no longer possible for us to construct the equipment according to the calculated costs and we can thus anticipate financially unacceptable additional costs, then we can withdraw from the agreement. Claims for damages by the buyer are excluded.
12. Solely our terms and conditions of supply apply. Any differences from these must be accepted by us in writing.
13. These terms and conditions are exclusively subject to the law of the Republic of Austria under the exclusion of the uniform UN law on international purchases on April 11, 1980 (CISG).
14. The place of jurisdiction for any possible disputes arising from a contractual relationship is Klagenfurt.