

GENERAL INSTALLATION AND SERVICE CONDITIONS

(Status: August 2018)

1. General scope of application

1.1 These General Installation Conditions of Hennecke s.r.o. (hereinafter referred to as: "Hennecke") apply to the dispatch of installation personnel to, or the performance of assembly services for individual or legal entities ("*Customer*") These General Assembly Terms do not apply to consumer contracts. If Hennecke and the customer agreed to perform more than the installation or assembly work, the Hennecke General Terms and Conditions apply to them, which can be consulted at www.hennecke.cz. For the purposes of these General Assembly Terms, assembly operations also include repairs and servicing of machines and these are also governed by contracts for the repair and / or service of machines

1.2 Any deviation and/or supplementary agreement to this General Terms and Conditions must be made in writing and needs to be negotiated individually. This also applies to written form requirement itself.

2. Working time

2.1 The regular working hours are deemed to be 8 hours per day (Mondays - Fridays). For any time in excess thereof surcharges shall be charged in accordance with Hennecke's current price list.

2.2 Travel time shall be charged as working time. The travel time is based on the service report. When long-distance installations are undertaken this also includes the time needed to look for a room and for any official registrations and notices of departure.

2.3 If preparations in Hennecke's factory are required for the installation (e.g. the production of parts not included in the scope of delivery etc.) said preparations shall be charged in the same way as travel time.

3. Time of performance, Acceptance

3.1 The installation dates stated by us are not binding unless we have expressly agreed binding dates with the Customer.

3.2 If we are late with a delivery or service or if a delivery or service becomes impossible for us, irrespective of the reason, our liability for damages shall be limited in accordance with Clause 9 of these General Installation Conditions.

3.3 If the Customer is under a duty to accept performance, said acceptance must be effected promptly with effect from the acceptance date, alternatively within one week following Hennecke's notice of readiness for acceptance. The Customer shall only be entitled to refuse such acceptance if there is a significant defect.

4. Prices and payment

4.1 Hennecke's staff is instructed to keep records of the installation hours and to present said records to the Customer each week for checking and acknowledgement. The signed records shall be decisive for calculating the charge.

4.2 For work performed on Easter Friday, Easter Monday, Christmas Eve, Christmas Day, 26th of December, 31st of December and New Year's Day the surcharges in the installation offer for Sundays and public holidays shall be increased by 50%.

4.3 Per diem allowances are payable for each day of absence, including for Saturdays, Sundays and public holidays when no work is performed. If a member of the installation personnel becomes unable to work during the installation the per diem allowance shall continue to be charged. If a doctor declares that he is fit for transportation, the Customer shall be entitled to demand that he return home immediately. The per diem allowances shall be reduced to 25 % for the duration of any stay in hospital.

4.4 The Customer shall bear the costs of the installation personnel's accommodation at the place of deployment.

4.5 When the place of installation is up to 1,200 km away from Hennecke's registered office (seat) the installation personnel shall have the right to have a trip home paid for every week; if the place of installation is more than 1,200 km away they shall have the right to a trip home every 2 weeks. Furthermore, Hennecke's installation personnel shall have the right to a trip home in the event of marriage, the wife giving birth to a child or the death of a close relative. The transport costs incurred in each case shall be borne by the Customer. The same rates shall apply for calculating the fare, the per diem allowances and the travel time as for the other travel days.

4.6 The prices have been calculated according to the price list for installation work applicable today and will be send jointly with the contractual documents or upon request. Installation work undertaken later than 4 months after conclusion of the Agreement shall be billed in accordance with Hennecke's respectively applicable list price. Hennecke will provide the possibly changed price list to the Customer. The Customer is entitled to refuse to change the prices listed in the pricelist within 1 week of delivery and to withdraw due to disagreement with the change of contract prices. If the Customer fails to withdraw from the contract within a given period, the Customer agrees that the price mentioned in the pricelist agrees.

4.7 The installation costs shall be billed following completion of the installation or - if the installation takes a considerable time - at specified regular intervals.

4.8 Payment shall be due without any deductions upon delivery or upon acceptance of performance ("*Abnahme*"), whichever is applicable. The Customer shall automatically be in default 14 calendar days following delivery or acceptance and the issue of the invoice. Payment shall only be deemed to have been effected on the date of receipt thereof by Hennecke. In the event that the Customer is in arrears of payment and Hennecke is not responsible for said arrears, Hennecke shall, without prejudice to any other claims for compensation, be entitled to defer its own contractual obligations until the overdue payments have been effected.

4.9 The Customer shall not be entitled to set off claims or to withhold payments on the basis of any counterclaims that it may have unless such counterclaims are undisputed or have been confirmed by a competent court.

5. Spare parts

5.1 These General Conditions shall - to the extent they can be applied analogously - also apply to the fitting of spare parts, wearing parts and other parts fitted by us in connection with carrying out the installation work. This shall particularly apply to Clauses 9 (Damages) and 10 (Warranty).

5.2 Unless otherwise agreed, Hennecke shall charge for spare parts and wearing parts fitted in the course of the installation in accordance with Hennecke's price list as applicable from time to time. The current price list will always be provided before the contract is concluded.

5.3 Hennecke shall retain title to spare parts fitted by it until all of Hennecke's claims arising out of the entire business relationship with the Customer have been satisfied in full (extended reservation of title ("*widespread reservation of ownership*").

6. The installation personnel's tasks

6.1 The installation personnel may only handle those tasks that have been agreed between Hennecke and the Customer beforehand. The assignment of any other tasks shall require Hennecke's consent. In urgent cases, particularly in the event of any malfunction, the Customer can call in the installation personnel after having first obtained Hennecke's consent, also for overtime as well as for work on Sundays and public holidays to the extent permitted by statute and by any collective bargaining agreement.

6.2 The installation personnel are not entitled to give any legally binding declarations whatsoever

7. The Customer's cooperation

7.1 The Customer is obliged to ensure that the workplace is safe and that existing safety regulations are complied with and that the working conditions are reasonable. When installation personnel is introduced to the workplace, he is required to instruct the Hennecke personnel on the applicable safety regulations and escape routes at the installation site.

7.2 The Customer is obliged to provide assistance at its cost and risk, in particular to:

- a) Provide the required suitable assisting personnel in the numbers required for the installation and for the time needed. The assisting personnel must follow the directions given by the person in charge of the installation. Hennecke does not accept any liability for the assisting personnel.
- b) Undertake all excavation, construction, scaffolding and plumbing and other installation work.
- c) Provide the necessary apparatus and heavy equipment, e.g. hoisting gear etc. as well as the necessary consumables and materials.
- d) Provide lighting, heating as well as water, compressed air and electric power including the requisite connections to the points indicated in our drawings.
- e) Provide the necessary dry and lockable rooms for keeping the installation personnel's tools.
- f) Transport the installation parts to the place of installation, protect the place of installation and installation materials against harmful influences of any kind.
- g) Provide suitable theft-proof work rooms with facilities for washing and sanitary facilities as well as first aid for the installation personnel.

7.3 The Customer's technical assistance must guarantee that the installation can be begun immediately after the installation personnel has arrived and can be undertaken without delay until acceptance by the Customer. The Customer is liable for any damages arising out of non-observance of the cooperation obligations as stated in sec. 7.2.

8. Remote maintenance

8.1 Insofar as Hennecke loads software by way of remote maintenance without being personally present on site to setup said software, the Customer must take all reasonable measures in the course of setup and in the commissioning phase in order to minimise any damage due to any malfunctions in the software as far as possible. This also includes conducting function tests on the equipment affected by the

remote maintenance before commissioning it, increased observation of the functional parameters in the initial period and ensuring that it is possible to immediately shutdown the equipment if any malfunction occurs.

9. Damages

9.1 For Hennecke's breach of contractual obligations, Hennecke is responsible, irrespective of the fault, unless agreed otherwise. For violating legal obligations (so-called tort liability), Hennecke is responsible only if the damage was caused by Hennecke deliberately, of gross negligence. Hennecke shall be liable for any subsequent damage caused by defects only if the breach of duty resulting in the defect resulting in the damage is intentional or caused by gross negligence.

9.2 In the absence of intentional conduct, Hennecke shall be liable only for reasonably foreseeable damage that typically occurs.

9.3 Hennecke's liability for product defect remains unaffected. The obligation to compensate for human injury to its natural rights, or caused intentionally or through gross negligence, remains unaffected.

9.4 The parties agree that the amount of damages paid by Hennecke to the Client is limited to the amount of the price that the Customer is obliged to pay Hennecke from a contract for the provision of assembly performances in which the damage was caused. This limitation does not apply to damage caused intentionally or through gross negligence.

9.5 Any claims for damages under Clauses 9.1 to 9.4 above shall be time-barred within the statutory periods.

10. Warranty

10.1 If any of the services provided by Hennecke proves to be defective at the time of acceptance, Hennecke shall be under a duty to remedy the defects by, at Hennecke's option, either rectifying the defect or by making a replacement delivery.

10.2 Hennecke shall be entitled to make the subsequent performance owed dependent on the Customer paying the due purchase price. The Customer shall, however, be entitled to withhold such part of the purchase price as is reasonable in proportion to the defect.

10.3 If the supplementary performance fails twice, the Customer shall be entitled to a reduction of the purchase price or to rescind the contract. There shall be no entitlement to rescind the contract if the defect is negligible. In addition the Customer can demand damages in accordance with Clause 9.1. Any other warranty claims are excluded.

10.4 The limitation period for defect claims shall be, except for falsification and subject to paragraph 9.5, 12 months, calculated from dispatch, or if surrender is required, from the receipt, calculated from the date of delivery of the benefit or, if surrender is required, from the acceptance.

11. Installation equipment

11.1 Installation and commissioning equipment shall be delivered and returned at the Customer's cost.

12. Information and technical advice

12.1 Hennecke's information and recommendations are not binding and are made excluding all liability unless Hennecke has undertaken expressly and in writing to give information and recommendations. The Customer must investigate in his own series of tests whether a product is also suitable for the Customer's particular applications. The details and information Hennecke provides also do not constitute any promise as to the quality of its products and services.

13. Choice of law, place of jurisdiction, place of performance

13.1 The place of performance is the place of assembly. The place of performance for payment is Prague.

13.2 These general assembly conditions are governed by the law of the Czech Republic, excluding the impact of the UN Vienna Convention on Contracts for the International Sale of Goods. The Contracting Parties agree that all disputes between them related to the contract, including issues of validity and consequences of invalidity, will be dealt with by the courts of the Czech Republic where the place of the state is in accordance with § 89a of Act. No. 99/1963 Coll., the Civil Procedure Code, the local jurisdiction of the supplier.

13.3 In accordance with Section 89a of Act. No. 99/1963 Coll., the Code of Civil Procedure, for all litigation, the local court of Hennecke, the county court in whose district the Hennecke General Court is located. If a dispute arises between Hennecke and the ordering party, the dispute may be submitted to the Arbitral Tribunal at the Chamber of Commerce of the Czech Republic and the Agrarian Chamber of the Czech Republic, according to its order, by an arbitrator appointed by the President of the Arbitration Court.

13.4 Contracts concluded under these installation conditions remain binding even in case of ineffectiveness of individual provisions in all of its other parts.

Hennecke s.r.o.