

General Conditions of Sale (Version May 2020)

1. General

These General Conditions of Sale shall apply to all work and deliveries carried out by us. Agreements differing from this text shall be valid only if confirmed by us in writing. Orders shall be deemed accepted for execution only upon dispatch of our written order confirmation.

2. Documentation

Descriptive matter in our literature, illustrations and drawings cannot be held as binding. Actual execution may differ in detail, as we reserve the right to make alterations in particular in respect of pattern, design, dimensions, material and weights. All documents submitted to the buyer or in response to enquiries remain our property and may not be made available to third parties, duplicated or used to manufacture the equipment to which they relate without our written consent. Such documents must be returned upon request. Prospective customers or buyers will be held fully responsible for any loss or damage caused to Hatebur due to misuse of these documents and will indemnify and hold Hatebur harmless from any claims of third parties.

3. Intellectual Property

The buyer acknowledges the design of the purchased Hatebur machine and of its accessories to be our intellectual property. In purchasing it, the buyer does not acquire the right to make other use of this intellectual property embodied in the design, for instance by building a copy or by preparing manufacturing drawings. The buyer will take appropriate steps to prevent third parties from appropriating this intellectual property by being able to copy the Hatebur machine or parts of it at the buyer's premises. The buyer shall transfer this obligation to any future purchasers of the machine. The same conditions apply for tools designed by Hatebur, and the buyer agrees to make such tools, or to have them made on his behalf, solely for use on the respective Hatebur machine. Failure to comply with these obligations shall make the buyer liable for damages and the buyer will indemnify and hold Hatebur harmless from any claims of third parties.

4. Prices

Unless otherwise agreed in writing, all prices are quoted net, ex works, unloaded, excluding packing and insurance (EXW). In case of any increase in costs after the date of issue of our quotation and prior to dispatch of goods, due in particular to change of laws and regulations, higher costs of raw materials, wages or other charges, we reserve the right to invoice goods at prices ruling at the date of dispatch. Any taxes, duties or the like which are due on our deliveries and/or services in the buyer's country have to be borne by the buyer. Respective deductions by the buyer on the invoiced amounts are not allowed. The buyer shall be responsible for drawing our attention to any legal requirements which may affect the design and operation of the machines. Additional guards and any other modifications to our standard equipment stipulated by regulations are at the buyer's expense.

5. Terms of Payment

Place of performance for payments is our domicile in Switzerland. The terms laid down in our order confirmation shall apply. From the payment due date, the buyer shall pay default interest at a rate of 4% above the 3-months-CHF-Libor or a possible subsequent index, however of at least 6%. Where delivery, assembly or taking into service of machinery is delayed for reasons not attributable to us or due to circumstances beyond our control, payments linked to delivery terms or to the date of taking the equipment into service must be made on the date at which they would have become due had the delay not arisen. The buyers is not released from his obligation to meet payment terms by virtue of any claims which may arise under the terms of our warranty set out below. The buyer shall not be entitled to deduct any counterclaims from payments due to us or to withhold such payments pending the settlement of any counterclaims. If the buyer is in delay for a period exceeding 2 weeks in respect of payments due, furnishing of bank guarantees or other securities, the balance shall become due immediately and we are entitled to terminate the contract. Should trading relations between the country of origin of the goods and the country to which goods are to be consigned or where the buyer is resident undergo any changes, in particular in respect of currency control, payment transfer, import and export regulations, we shall be entitled to suspend manufacture of the machines or to retain goods ready for dispatch until such time as a satisfactory conclusion of the transaction and receipt of payments due to us can be ensured. Should this prove impossible, we shall be entitled to terminate the contract without entitlement of the buyer for compensation, while at the same time reserving our rights under the contract.

6. Retention of Title to Goods

All goods supplied remain our property until all obligations arising from the transaction have been discharged. During the period of the retention of title to goods, the buyer shall, at their own cost, maintain the goods supplied and insure them for our benefit against theft, breakdown, fire, water and other risks. He shall further take all measures to ensure that our title is registered in no way prejudiced.

7. Delivery Terms

Delivery terms stated in our order confirmation apply ex works (EXW) from the date of receipt of the agreed initial payment and all necessary technical specifications. Delivery terms shall be defined in a way that - subject to circumstances beyond our control - they most likely can be adhered to. Reasonable extensions shall be granted in case of delays beyond our or our subcontractor's or supplier's control or responsibility, such as strikes, lock-out or boycott, accidents or work stoppages, failure of major components, shortage of railway wagons, acts of God, general mobilisation, war, revolution, riots or epidemics and pandemics as well as delay in delivery of technical specifications and

failure to comply with agreed payment terms; in the last-named case without prejudice to our right to withdraw from the contract. Similarly, suitable extensions shall be granted where official authorizations of any kind are delayed. Delayed deliveries shall not entitle the buyer to withdraw from the transaction or to cancel the order. We reserve the right to make partial deliveries.

8. Acceptance

Machines must be inspected and accepted within 14 days of completion at the place of manufacturing and at the buyer's expense. The buyer is obliged to diligently examine the goods. Defects have to be notified immediately at the acceptance procedure. Recognisable defects which are not listed in an acceptance protocol are deemed to be accepted by the Buyer. Defects which do not materially affect the functionality of the machine do not hinder acceptance. Where the buyer fails to attend the inspection on the date fixed, in spite of timely notification by Hatebur, machines shall be deemed to be accepted as free from defects, and we shall be entitled to ship such goods immediately.

9. Transport, Transfer of Risks, Insurance and responsibility

Goods are dispatched ex works at customers' risk in respect of damage, loss, theft etc., even when dispatched under other trade terms, as well as in cases where machines are commissioned under our supervision. Arrangements for transport insurance ex works including loading and unloading, must be made by the buyer at his own expense. The buyer shall undertake to arrange, at his own expense, adequate insurance cover against damage by fire or water, theft etc., for goods supplied by us from the time of delivery until the last payment due to us has been made, and shall, on request, notify us of the name of the insurance companies. In case of total loss or damage of any kind, we shall look for redress exclusively to the buyer while reserving our right to make claims against third parties. Where goods ready for dispatch cannot be shipped at the agreed date for reasons beyond our control, their storage and insurance at our works or outside premises shall be at the buyer's risk and expense. From delivery the buyer is fully responsible for the goods and will indemnify and hold Hatebur harmless from any claims of third parties.

10. Warranty

We warrant compliance of the supplied machines and individual parts with the contractual provisions and compliance of the documentation with the laws and regulations valid at the place of manufacturing. We only take warranty for specific characteristics or performance values if such characteristics or values are specifically designated as guaranteed. We undertake to replace or repair (at our own discretion) parts supplied by us that have evidently become damaged or unusable as a result of defective material, faulty design or poor workmanship. Any such defect must be immediately reported to us in writing. Replaced parts become our property. Any exceeding warranty, liability or responsibility of any kind, particularly price reduction, termination and bearing of costs are excluded. The buyer shall indemnify and hold Hatebur harmless from any claims of third parties which are based on events not included in our warranty. The warranty does not apply if the buyer fails to observe the information contained in our documentation or general duties of diligence, if damage is caused by faulty, unworkmanlike or excessive use, overloading, use of unsuitable materials, inadequate foundations, chemical attack or force majeure, or if the agreed terms of payment are not observed. The warranty does not cover normal wear and tear or the results of faulty erection or startup, assuming these are not carried out by us. In any case where other parties carry out alterations or repairs on equipment supplied by us without our consent, our warranty is totally and immediately invalidated. We do not take any warranty for tools, spare parts or parts subject to wear by virtue of their function. The warranty period is 6 months from date of shipment, or from commissioning if we are entrusted with the commissioning of the equipment at the buyer's plant. For replaced or repaired parts a new warranty period of 6 months shall apply. In any case warranty shall however end 12 months from acceptance. Should shipment or commissioning be delayed for any reason, all warranties cease to be valid 12 months after our notification of readiness to ship.

11. Liability

Notwithstanding anything stated to the contrary our liability is limited under all titles to 50% of the value of the affected deliveries. Our liability for loss of profit, loss of earnings, stop or reduction of production, loss of contracts, claims of third parties, indemnification claims and for consequential and indirect damages is excluded. Excepted are only damages caused by gross negligence and wilful misconduct. If penalties or liquidated damages are agreed such penalties or liquidated damages are limited to 5% of the value of the affected delivery. Payment of the penalties or liquidated damages shall be the buyer's sole and exclusive remedy.

12. Assembly

We supply trained staff for assembling and taking into service the machinery supplied by us, the conditions of this service being subject to separate agreement.

13. Place of Jurisdiction and applicable Law

Exclusive place of jurisdiction for any claims between us and the buyer is Basle, Switzerland. The contract shall be governed by Swiss Substantive Law. The United Nations Convention of Contracts for the International Sale of Goods, 11th April 1980 and the Swiss Law on Private International Law (IPRG) are not applicable.