

General Assembly Conditions

For application to:

1. Ordering parties, who have the status of an entrepreneur as defined by the Austrian Business Enterprise Code (UGB);
2. Legal persons under public law, special funds governed by public law and other public sector principals.

1. Scope of application

- 1.1 These General Conditions (hereinafter referred to as "Assembly Conditions") apply to the following services from companies in the Voith Group with its headquarters in Austria (hereinafter referred to as "Voith"): Assembly, commissioning, repairs, assembly supervision and commissioning supervision (hereinafter referred to as "Work" or "Work Performed") within the context of supply contracts or self-employed assembly, commissioning, repair or supervision contracts. The General Conditions supplement the individual agreements between the ordering party and Voith.
- 1.2 When the order is placed, the ordering party acknowledges these assembly conditions and their implementation without any reservations.
- 1.3 Unless agreed otherwise, a contract is not concluded until the order is confirmed in writing by Voith. The written form of order confirmation is also considered to be satisfied if remote transmission is used (e.g. email) or fax.
- 1.4 Arrangements that differ from or supplement these assembly conditions shall only apply if they have been signed by both parties or are confirmed by Voith in the form set out in Article 1.3. With regard to Voith's General Conditions of Delivery, Article 14.3 of these Assembly Conditions shall apply.
- 1.5 The ordering party's own general terms and conditions shall not become part of the contract, even if Voith does not expressly contradict these.

2. Remuneration

- 2.1 The work will be invoiced according to the price sheet on the basis of time in each case at the current charge rates, which can be obtained from the quotation, unless a flat-rate price has been expressly agreed.
- 2.2 Where time is used as a basis for remuneration, if Voith's assembly personnel are unable to work as a result of sickness or accident, the per diem payments shall continue to be invoiced in accordance with the relevant price sheet. Subsistence expenses of the assembly personnel are deducted, in as far as these no longer apply as a result of incapacity to work. If an immediate return to the place where the personnel are based is necessary and possible, no further subsistence/per diem costs are invoiced.
- 2.3 Where Voith makes available tools – over and above the standard tools listed in Art. 5.1 – to carry out the work, remuneration shall be on the basis of Voith's respective assembly rates, which the ordering party can obtain from Voith's quotation.
- 2.4 Unless stated to the contrary, the agreed amounts do not include Value Added tax, which must be paid to Voith in addition at the statutory rate in each case.

3. Work report and invoicing

- 3.1 Before Voith's assembly personnel leave the site, the ordering party shall hand them written confirmation of the end of the work. If a confirmation is not issued, this does not have any effect on the submission of the invoice and the date on which payment is due.
- 3.2 The work time sheets issued by Voith shall form the basis for the invoice, unless a flat-rate fee has been agreed. Unless an agreement is made to the contrary, Voith shall choose whether the work is to be invoiced monthly in arrears or after

the assembly work is complete.

- 3.3 Invoices must be paid by the ordering party upon receipt without deductions. It is not permissible to deduct services provided voluntarily by the ordering party, unless this deduction has been agreed with Voith. The ordering party shall only be entitled to retain payments or to offset payments with counterclaims to the extent that such counterclaims are accepted or have been legally determined.
- 3.4 If a payment by the ordering party is delayed or if this is deferred, the ordering party shall pay interest at an annual rate of 9.2 % above the base rate. Any losses incurred by Voith as a result of the delayed payment that exceed the interest on arrears shall be reimbursed by the ordering party for any degree of fault.

4. Safety at work

- 4.1 Voith will comply with the legally applicable regulations at the assembly location when carrying out the work. Should the statutory regulations change between the signing of the contract and the execution of the work, Voith has a claim to reimbursement of any additional outlay resulting from this and adjustment of the contractual deadlines. Voith shall only observe additional non-statutory safety and other regulations at the assembly location, if the ordering party has made these known to Voith as defined by Article 4.2 and these have been expressly acknowledged by Voith in writing.
The ordering party shall in turn comply with the regulations and orders prescribed by law and the authorities and, if necessary, take measures to prevent accidents and to protect persons and Voith's property but, as a minimum, to comply with Voith's occupational health and safety measures which are made known to the ordering party (Voith HSE Standards).
- 4.2 It is the duty of the ordering party to instruct Voith in writing on existing safety regulations or requirements at the assembly location and to give Voith's assembly personnel a safety briefing on site before starting work. Where these safety regulations require the assembly personnel to use special protective equipment, this must be provided free of charge to Voith's assembly personnel.
- 4.3 The ordering party shall notify Voith in cases where the assembly personnel breach the occupational safety rules. In the case of serious breaches, the ordering party can deny the party committing the breach access to the assembly site, in agreement with Voith's assembly manager.
- 4.4 If one or several safety requirements that the ordering party or a third party accountable to the ordering party such as the ordering party's other contractors needs to comply with at the assembly location are not met and, in spite of the written notification to the ordering party, have not been rectified within a reasonable additional time allowed, Voith shall be entitled to cease work until the safety defect is rectified or, after a reasonable additional period has been allowed, to withdraw from the contract in accordance with Section 1168 para. 2 of the Austrian General Civil Code (ABGB). The same shall apply if the ordering party repeatedly breaches the obligations incumbent on it in accordance with Article 4.2 or ignores other obligations to cooperate.
- 4.5 If work is stopped or interrupted for the reasons stated in Art. 4.4, the ordering party shall pay Voith the contractually agreed amount and reimburse Voith the full amount for all additional costs that result from this. If a stoppage or interruption occurs for the reasons stated, the agreed performance periods shall be extended in accordance with Art. 8.3.
- 4.6 Furthermore, Voith shall be entitled, after giving prior notification, to halt the deployment of employees or withdraw them from the assembly location, if the deployment involves danger to

life and limb for the employees involved. In particular, such a case shall exist if an official agency (e.g. Austrian Federal Ministry for Europe, Integration and Foreign Affairs – BMEIA) issues a warning in respect of traveling to the intended place of deployment or advises against visiting the area. Art. 8.4 shall apply in such cases.

5. Tools and aids

- 5.1 Unless agreed to the contrary, Voith shall provide the assembly personnel with the necessary standard tools, including measuring devices and aids. However, Article 4.2 shall apply to protective equipment.
- 5.2 Should the fixtures or tools provided by Voith be damaged at the assembly location or in the ordering party's company for reasons for which Voith is not to blame or if these are lost and Voith is not to blame for this, the ordering party undertakes to replace these losses. Losses that can be attributed to normal wear shall not be taken into account.

6. Involvement of the ordering party

- 6.1 The ordering party shall support Voith's assembly personnel in the performance of the work in accordance with Article 7.
- 6.2 The ordering party undertakes to make Voith aware of special regulations imposed by the law, authorities and other bodies at the assembly location which relate to the performance of the work. The ordering party shall at its own expense coordinate work with the other trades and make sure that permits are obtained from the authorities so that the work can be performed without disruption. This shall apply in particular to special approvals, in the case of work in nature reserves and in special dangerous situations. The ordering party shall bear the risk of a delay or refusal of these approvals.
- 6.3 The ordering party shall not be authorized to issue instructions to Voith's personnel or involve Voith's personnel in work that is not part of this contract with Voith, without Voith's express written approval. Voith shall not accept any liability for such work carried out on the instructions on the ordering party without special instruction by Voith, regardless of any claim to remuneration to which Voith may be entitled.

7. Technical assistance of the ordering party

- 7.1 Where it is necessary for performing the work, the ordering party shall:
- a) Give Voith access to the premises;
 - b) Nominate a responsible contact person who is authorized to make decisions;
 - c) Make available without remuneration the infrastructure required for performing the work, and
 - d) Provide Voith with the necessary information in relation to the company structure and environment.
- 7.2 The ordering party shall undertake to provide Voith with technical assistance at the ordering party's expense and taking account of all safety regulations and safety measures for technical assistance, and shall in particular:
- a) Provide an adequate number of the appropriate technical and auxiliary personnel required with the necessary qualifications and equipment and for the necessary time. Notwithstanding Article 7.4, sentence 1, these workers shall remain in the employment of the ordering party and the ordering party shall supervise them and be responsible for them. This shall not constitute an employment relationship or an employee-like relationship to Voith or employee leasing to Voith.
 - b) Undertake all earthworks and work relating to construction, beds and scaffolding, including the procurement of the necessary building materials, as well as the timely provision of the clean and load-bearing foundations, including predraining, in accordance with Voith's drawings.
 - c) Provide the required fixtures and heavy tools (e.g. lifting gear, compressors, welding equipment) and special tools as well as the necessary vehicles and items and materials required (e.g. scaffolding boards, wedges, supports, cement, mortar and sealing materials, lubricants, fuels, driving cables and belts).
 - d) Provide heating, lighting, operating power, water, including the required connections.

- e) Provide the necessary dry and lockable rooms to store the assembly personnel's tools.
- f) Transport and store the assembly parts at the assembly location, protect the assembly site against harmful influences of all kinds, clean the assembly site.
- g) Provide suitable theft-proof common rooms and work areas (with heating, lighting, washing amenities and sanitary facilities) and first aid for the assembly personnel.
- h) Provide materials and undertake all other technical assistance required to adjust the item to be assembled and to carry out the testing provided for under the contract.

- 7.3 The technical assistance of the ordering party must ensure that assembly can start promptly when the assembly personnel arrive and without delay until the acceptance by the ordering party. Where plans and instructions are required from Voith in relation to the technical assistance, Voith shall make these available to the ordering party in good time.
- 7.4 The personnel made available by the ordering party shall follow the instructions of Voith's assembly manager. Voith does not accept any liability or provide any warranty for these workers and damage or defects caused by them.
- 7.5 Should the ordering party fail to fulfill its obligations in accordance with Article 7, after a reasonable period has been set and without prejudice to more extensive claims, Voith shall be entitled but not obligated to carry out the actions that should have been performed by the ordering party in the ordering party's place and at its expense or to withdraw from the contract in accordance with Section 1168 Para. 2 of the Austrian General Civil Code (ABGB). It is not necessary to set a time limit, if the ordering party is not likely to be able to carry out the required actions within a reasonable period or if the ordering party has already refused to do so.

8. Time limits and delays

- 8.1. The duration of the work essentially depends on the conditions at the assembly location, the support provided by the ordering party and – in the case of repairs – the scope of the repair established after dismantling. Unless a fixed deadline is agreed as defined by Article 8.2, all information from Voith about the provisional duration of the work and/or the completion date shall be non-binding timescales and/or dates for the performance of services.
- 8.2. Where a fixed deadline has been agreed for performing the work, the following shall apply:
A prerequisite for the fixed period to start is that all commercial and technical queries have been clarified and the ordering party has fulfilled all the obligations incumbent on it before the start of the work (e.g. provision of the necessary certificates and approvals from the authorities, making an advance payment). If this is not the case, the period shall be deemed to have been extended by a reasonable period or the agreed deadline shall be extended accordingly. Voith shall be deemed to have complied with the deadline, if the work is ready for acceptance by the ordering party or, if trials are specified in the contract, these are ready to be carried out. The same shall apply if only insignificant parts of the services to be provided are missing, if the only defects are insignificant or the reworking required is insignificant, providing readiness for operation is not impaired.
- 8.3 Should the work be delayed due to the fact that the ordering party has not provided services or these services have not been correctly provided, e.g. breach of the obligations in accordance with Articles 4, 6 and 7, the deadline shall be extended for the duration of the delay. This shall also apply if such events occur when Voith is already in arrears. The ordering party shall bear the costs that arise as a result of the delay.
- 8.4 If the failure to meet the deadline is due to force majeure, e.g. natural disasters, epidemics, war, armed conflicts, civil war, revolution, terrorism, sabotage, atomic/reactor accidents, industrial disputes or other events that Voith cannot influence such as situations which create danger to life and limb for the employees involved, Voith is relieved from fulfilling its obligations for the duration of the event and the deadline is extended for the duration of the hindrance. Voith shall advise the ordering party of the start and end of such circumstances at the earliest opportunity. Where the

- event lasts for a period of more than six (6) months, Voith shall also be entitled to end the contract whilst maintaining the contractual claim for payment.
- 8.5 If the delay in performance can be attributed to Voith, compensation for the losses caused by the delay, for which the ordering party has to furnish proof in terms of the grounds and the amount, shall be paid at a rate of 0.5% for each full week of the delay but in total shall not exceed 5% of the net remuneration for that part of the work to be performed by Voith that cannot be used at the right time as a result of the delay. Art. 11.3 shall also apply to such compensation.
- 8.6 If a delay occurs and the ordering party sets Voith an appropriate period of time of not less than four weeks to provide the service and if this deadline is not met for reasons for which Voith is responsible, the ordering party shall be entitled to withdraw from the contract. Art. 11.3. and 11.4 of these Assembly Conditions shall apply to any claims for losses on account of non-performance.
- 9. Acceptance; transfer of benefits and risk**
- 9.1 The ordering party is obligated to carry out the acceptance procedure for the agreed work as soon as notification is given that the work has been completed and the work undertaken is ready for any contractually agreed trial of the work. If an immaterial deficiency is present, insignificant parts are missing or insignificant reworking is required – and this is deemed to be the case if readiness for operation is not impaired – the ordering party shall not be entitled to refuse acceptance. In this case, Voith will supply the missing items within an appropriate period or rectify the defect, if this has been reported in accordance with Art. 9.3.
- 9.2 Acceptance shall take place within two (2) weeks of the date on which the ordering party is notified by Voith that the work is complete. However, if the acceptance is delayed for reasons for which Voith is not responsible or if the ordering party already uses the work performed in the way for which it is intended and without any reservations or if the ordering party refuses acceptance without informing Voith about complaints with the work, acceptance is deemed to have been made after a period of two (2) weeks from when notification was given but, in a situation where the work has been put to use by the ordering party, acceptance is deemed to have been made when this occurs.
- 9.3 The ordering party undertakes to provide a written report of identifiable defects in the work performed at the time of the acceptance within a reasonable period, thus applying Sections 377 f of the Austrian Business Enterprise Code (UGB) analogously. Once the acceptance has taken place, Voith's warranty and liability for recognizable faults shall cease, unless the ordering party has reported a certain defect as set out in this article.
- 9.4 The benefits and risks pertaining to the work shall pass to the ordering party upon acceptance or – in the cases set out in Article 9.2, Sentence 2 – at the times stated there.
- 10. Warranty**
- 10.1 Defects relating to assembly, commissioning or repair Voith shall provide a warranty for the defects present at the time of the acceptance in respect of the assembly, commissioning or repair, in accordance with the following provisions.
- 10.1.1 Voith must rectify recognizable defects, providing that they are reported in the proper way as part of the acceptance in accordance with Article 9.3: Voith shall be entitled to choose the method.
- 10.1.2 Voith shall rectify defects in the work that manifest themselves later and which at the time of the acceptance were present but where there is evidence that they were not recognizable in spite of proper examination by the ordering party, providing that the ordering party has given Voith written notification of such a defect without delay but at the latest within five days of it being discovered. Voith may choose the method used to make the improvement.
- 10.1.3 Voith does not have to rectify a defect or otherwise provide warranty for it or be liable for it, if the defect is immaterial or if it is due to a situation that can be attributed to the ordering party.
- 10.1.4 Should defects appear that cannot be rectified within a reasonable time for reasons for which Voith is not responsible, Voith shall only cover the expense of improvement that would occur if the defects were to be rectified immediately. If the ordering party impedes Voith in respect of rectifying the defects identified, the ordering party shall be liable for any additional outlay caused as a result of this.
- 10.1.5 It is only in urgent cases where operational safety at the ordering party is at risk and in order to prevent disproportionately more serious damage (in which case Voith is to be notified immediately in each case) or if Voith has allowed an appropriate period set by the ordering party to rectify the defect to elapse and in each case only in the case of gross negligence in accordance with Art. 11.3 that the ordering party has the right to rectify the defect itself or to have it rectified by a third party and to demand reimbursement of the necessary costs by Voith. If it is not the case, Voith shall not reimburse the costs for changes and/or repair work undertaken without its prior approval and in each case Voith is to be given the opportunity to carry out the improvement. Voith is not liable under any circumstances for the consequences or losses that result from improvements, changes and/or repair work undertaken by the ordering party or by third parties instructed by the ordering party. Claims under this article shall not apply, if the ordering party is granted a reduction in price or cancellation in accordance with Art. 10.1.7.
- 10.1.6 Where the defect is rectified by the ordering party itself or by a third party in accordance with Article 10.1.5 Voith shall only pay - assuming that the complaint turns out to be justified – the costs of the replacement part and the costs of the necessary fitters and auxiliary personnel. Article 10.1.4, first sentence, shall also apply to such costs.
- 10.1.7 If Voith allows an appropriate additional period granted to it to rectify the defect to pass without a successful outcome, if it is impossible to rectify the defect or if it involves Voith in disproportionate expense or if Voith's rectification of the defect fails, the ordering party shall have a right to reduce the price. The ordering party is only allowed to withdraw from the contract instead of receiving a price reduction in the aforementioned situations, if it can be demonstrated that the work performed is of no interest to the ordering party and the defect that exists is not just trivial.
- 10.1.8 It is only permitted to install and fit parts originating from a third-party supplier with Voith's express written approval. Voith does not accept any responsibility whatsoever regarding the correct functioning of these parts. Installation of such parts is carried out in good faith by the assembly personnel.
- 10.1.9 Voith shall not be responsible if the ordering party or a third party makes changes to the object of the work performed without Voith's written approval, if the ordering party itself does not observe Voith's specifications when carrying out preparatory or other work itself or if the ordering party does not immediately take suitable measures to reduce the damage in spite of the fact that it is aware of a defect, although it would be possible and reasonable for it to do this.
- 10.2. Deficiencies in supervising assembly and commissioning Voith provides warranty for deficiencies during the supervision of assembly and commissioning and is liable as follows:
- 10.2.1 Voith shall be liable within the framework of Article 11 for the correct selection of the supervising personal during the supervision of assembly or commissioning.
- 10.2.2 For defects in assembly or commissioning, that are exclusively as a result of incorrect instructions or the absence of such instructions of the supervision personnel deployed by Voith, Voith shall provide warranty in accordance with Article 10 Item 1 to the extent that Voith will rectify the defects free of charge. Art. 11 shall apply in the event of claims for losses. Voith shall not provide warranty and be liable for defects in assembly or commissioning as a result of a lack of instruction, if the

- reason why the instruction was not provided is because the ordering party – in spite of appropriate information from Voith to the contrary – requested an inadequate number of supervisors.
- 10.2.3 If the supervision personnel deployed by Voith is not deployed in good time for reasons that are grossly negligent (Art. 11.3), compensation for the losses caused by the delay, for which the ordering party has to furnish proof in terms of the grounds and the amount, shall be paid at a rate of 0.25% net per day of delay of the total remuneration to be charged for the deployment of the assembly personnel but in total shall not exceed 5% of the total remuneration net. Where a delay in the overall assembly or commissioning occurs as a result of the delayed deployment, compensation in accordance with this article is to be credited to this in accordance with Art. 8.5.
- 10.2.4 Voith shall be liable for losses as a consequence of the supervision of assembly and commissioning performed by Voith overall, whilst also taking account of a compensation payment in accordance with Art. 10.2.3, but not for more than 50% of the total net remuneration agreed for this.
- 10.2.5 Where assembly and commissioning are supervised, Voith shall only be liable for meeting the final deadline of assembly or commissioning within the framework of Article 11.3.
- 11. Liability of Voith, liability exclusion**
- 11.1 If Voith damages an assembly part delivered by Voith or a part from a third party in the course of the work as a result of gross negligence, Voith can choose either to carry out a repair at Voith's expense or to supply an equivalent part.
- 11.2 If the assembled object cannot be used by the ordering party in accordance with the contract as a result of proposals or advice from Voith that were wrong or omitted through gross negligence (Art. 11.3) or as a result of grossly negligent infringement of other contractual subsidiary obligations – in particular the instruction for operation and maintenance of the assembled object – the arrangements in Article 11.1 shall apply accordingly, with further claims by the ordering party being excluded.
- 11.3 Voith shall only be liable for losses of any kind – with the exception of personal injuries and within the scope of the Product Liability Law – in the event of deliberate action and extreme gross negligence. This shall also apply to claims on account of or as a result of the defectiveness of the services provided.
- 11.4 Furthermore, in all cases Voith's liability shall be limited to the losses typical for the contract and which can reasonably be foreseen.
- 11.5 More extensive claims for compensation against Voith shall be excluded, irrespective of the legal grounds. Where liability to claim damages against Voith is excluded or limited, this shall also extend to Voith's corporate bodies, employees and assistants, to the extent that these parties may be directly liable to the ordering party.
- 12. Statute of limitations**
- 12.1 The warranty period is six months from acceptance of the work by the ordering party or – in the case of Article 9.2. – from the times stated there. The warranty claims of the ordering party for services improved by Voith as part of the warranty also become time barred after six months from when the defect was rectified; claims in this context are limited exclusively to new defects that have arisen directly as a result of the defect rectification. Art 10 and 11 also apply accordingly to such improvements.
- 12.2 All other claims of the ordering party – regardless of the legal grounds – shall become time barred in one year from when they occur or, in the case of claims for damages, from the time the ordering party became aware of the loss and who was responsible for the loss.
- 13. Applicable Law, Legal Venue**
- 13.1 The substantive law of Austria only shall apply to all contracts between Voith and the ordering party that are subject to these Assembly Conditions, with the United Nations Convention on the International Sale of Goods (CISG) being excluded.
- 13.2 The exclusive place of jurisdiction for the ordering party is the relevant competent court at Voith's registered office. Voith may bring proceeding before the court at its own registered office, the registered office of the ordering party or any place of jurisdiction that may legally be considered.
- 14. Other**
- 14.1 Voith retains the ownership rights, the copyright and all other rights of all technical documents, samples, drawings, estimates and similar information, in tangible and intangible form, including in electronic form. These documents, information, etc. must not be copied, reproduced or made known to third parties in any way whatsoever by the ordering party or used or exploited in any way without the written agreement of Voith. They may only be used for Voith's work, in accordance with the contract concluded.
- 14.2 Declarations of all kinds made by Voith's assembly personnel shall only be binding for Voith, if they are confirmed in writing or by email by a person authorized to represent Voith.
- 14.3 For supplies and other services provided by Voith, which are provided together with work performed as defined by Article 1.1 of these Assembly Conditions, Voith's general terms of delivery for Austria shall apply, unless the Assembly Conditions make other arrangements.