

GENERAL CONDITIONS FOR WORKSHOP REPAIR AND MAINTENANCE

1. GENERAL PROVISIONS

- 1.1 Burckhardt Compression GENERAL CONDITIONS FOR WORKSHOP REPAIR AND MAINTENANCE (the "General Conditions") shall apply to all Contracts between Burckhardt Compression ("Service Contractor") and the ordering party ("Client") for repair and maintenance work done in a Burckhardt Compression workshop.
- 1.2 The Contract shall be deemed to have been entered into upon receipt of Service Contractor's written acknowledgement stating its acceptance of the order.
- 1.3 The Service Contractor proposal shall remain open for acceptance by the period stated in the tender unless it is previously withdrawn but no longer unless a further period is expressly agreed between the parties in writing.
- 1.4 Proposals which do not stipulate an acceptance period shall not be binding.
- 1.5 These General Conditions supersedes all previous negotiations, representations and/or contractual commitments between the Parties. Service Contractor hereby gives notice of its objection to and rejection of any different or additional terms, and Client agrees that the terms in these General Conditions shall apply and govern to the exclusion of all others.
- 1.6 All agreements and legally relevant declarations of the Parties to the Contract must be in writing in order to be valid.
- 1.7 Should a provision of these General Conditions prove to be wholly or partly invalid, the Parties to the Contract shall jointly seek an arrangement having a legal and economic effect which will be as similar as possible to the invalid provision.

2. DEFINITIONS

- 2.1 For the purposes of these General Conditions, the following definitions apply:
- 2.2 Maintenance: All operations which comprise the detection, analysis, correction, repair or prevention of equipment dysfunction. These operations may be described as "Services" or "Works".
- 2.3 Service Contractor: Contractor to which the Maintenance Service is consigned, and which is also a manufacturer of the same type of equipment.
- 2.4 Equipment: appliance made available for Maintenance by the Client to the Service Contractor, whether or not the latter is the manufacturer.
- 2.5 Client: person or entity assigning Maintenance of the Equipment to the Service Contractor.

3. TRANSPORT AND RISK

- 3.1 The Equipment must be clean and free from pollution.
- 3.2 Unless otherwise agreed in writing, the cost and risk of loss or damage caused to or by the Equipment shall be borne as follows:
- 3.3 Delivery to workshop
The cost and risks of delivery of Equipment to the Service Contractor's workshop shall be borne by the Client.
A detailed delivery notice prepared by the Client must accompany the Equipment.
The Service Contractor will effect Equipment receipt and identification in the workshop.
If the Equipment has been sent to the Service Contractor without notification, Service Contractor may store the Equipment on the cost and risk of the Client.
- 3.4 During work
Risks related to the Maintenance shall be borne by the Service Contractor, save for those caused by inherent defects in the Equipment which existed prior to the delivery to the workshop.
- 3.5 Return to Client
Unless otherwise agreed in writing, the cost and risks of return of the Equipment to the destination site shall be borne by the Client. Packaging shall be paid for by the Client.
A detailed delivery notice prepared by Service Contractor must accompany the Equipment.

4. OWNERSHIP OF THE EQUIPMENT

Vis-a-vis the Service Contractor, the Client remains the owner of the Equipment consigned and keeps the risk of accidental damage and loss.

5. DOCUMENTS AND INFORMATION

For optimum service quality, the Service Contractor may require the Client to provide:

- a) Technical documentation (plans, notices including the manufacturer's instructions, security and maintenance notices, user manuals, etc), the history of modifications, repairs and interventions effected to the Equipment and the operating logs.
- b) Documents concerning traceability and source of spare parts and Equipment

The agreed intervention periods for Maintenance will not commence until remittance of all such documents and information are provided. The Service Contractor undertakes to ensure the traceability of its own interventions and will hold harmless the Service Contractor by any third party claims of unauthorized transfer of documents.

Any documents submitted by the Service Contractor to the Client shall be reviewed within five (5) days failing of which the documents shall be deemed to be approved.

6. INSPECTION AND ASSESSMENT

The Service Contractor undertakes to inspect and assess the Equipment within a reasonable period once the Equipment is received. In all cases, the cost of inspection, dismantling and assessment shall be borne by the Client.

7. ESTIMATE, RESPONSE TIME

In the absence of response from the Client within a reasonable time from collection of the Equipment, the Service Contractor may invoice the Equipment retention costs to the Client, and reserve the right to dispose of such Equipment.

8. COMPLETION TIME

The time estimated for completing the Works shall not constitute a commitment by the Service Contractor unless expressly agreed as such.

The Works shall be deemed to have been completed when the Equipment is ready to be returned to the site and so notified to the Client by the Service Contractor.

The Service Contractor shall be entitled to prolong duration of the Works it undertakes when:

- a) the Client places additional work orders accepted by the Service Contractor;
- b) the Client modifies the scope of the planned Works with the agreement of the Service Contractor;
- c) an event of Force Majeure, as defined in Clause 15, occurs;
- d) the Client breaches one of its obligations.

Should any of the said events occur, a new completion time shall be agreed and until such agreement the completion time shall be automatically extended accordingly.

9. DELAYED COMPLETION

The Service Contractor undertakes to inform the Client whenever delay in completing the Works proves inevitable.

Liquidated Damages for delay may only be applied if expressly agreed, in which case their accumulated amount may not in any circumstances exceed 5% of the amount excluding VAT of the cost of the Works as a sole and exclusive remedy for such delay.

No Liquidated Damages or compensation shall be due if delay is due to any cause attributable to the Client or to any of the events listed in the preceding clause or if the delay causes no damage to the Client.

10. VARIATIONS AND CLAIMS

10.1. The Client has the right at any time to request a change to the Contract ("Variation Request").

10.2. Depending on the nature and extent of such Variation Request, the Service Contractor shall, within thirty (30) days or any longer reasonable period after receipt, propose to the Client in writing the effects of such a variation with respect to the time schedule and/or the Contract Price ("Variation Proposal").

10.3. The Client shall, within twenty (20) days after receipt of a Variation Proposal, provide written reply to the Variation Proposal, failing of which the Variation Proposal shall be deemed to be accepted. In the event of rejection, the Parties shall without any delay agree on the action to be taken. If an agreement cannot be reached within twenty (20) days after the Service Contractor's receipt of the notice of rejection, Service Contractor shall be free to proceed with the works as described prior to the Variation Request with an extension of time for completion equal to the delay resulting from the Variation Request.

10.4. The Service Contractor, at his own discretion, shall be entitled to make minor changes to the Contract, which do not impact the Contract Price and/or delivery time.

10.5. Any changes to the Contract necessitated by changes in law or required by authorities after the effective date of the Contract shall be treated as a Variation Request. The Service Contractor shall, within thirty (30) days after learning of it submit a Variation Proposal to the Client.

10.6. If the Client considers himself to be entitled to any claim arising out of a clause of the Contract, or otherwise in connection with the Contract ("Claim"), the Client shall give notice to the Service Contractor not later than thirty (30) days after the Client became aware, or should have become aware of the event or circumstance giving rise to the Claim describing in detail the event(s) or circumstance(s) giving rise to the Claim and if requested provide further evidence. If the Client fails to give notice of a Claim within said period, the Service Contractor shall be discharged from all liabilities in connection with the Claim. Client waives any right to raise a Claim for late delivery, back-charges and any other Contract Price reduction six (6) months after delivery or completion of services.

11. POST-MAINTENANCE ACCEPTANCE

In the absence of special provisions, acceptance shall be deemed to have taken place on issue of the delivery notice by the Service Contractor.

Formal acceptance shall only be effected insofar as expressly stipulated in the Contract and agreed by the Service Contractor.

In such case:

- a) acceptance will be by verification by the Client, in the presence of the Service Contractor of the conformity of the completed Maintenance and confirmation thereof in a report signed by both Parties;
- b) the Service Contractor shall request the Client to attend for acceptance which shall be held, unless otherwise agreed, in its workshop. Should the Client fail to do whatever may be necessary to participate in acceptance within the time specified or at the date and time stated, acceptance shall be deemed to have taken place and the Equipment deemed to have been accepted.

12. PRICES

Prices are exclusive of VAT. If the Maintenance to be provided exceeds the one defined in the Contract, the extra amount shall be calculated on the Service Contractor's prevailing tariffs and shall be borne by the Client.

13. PAYMENT

Unless otherwise expressly agreed between the Parties, the invoice shall be paid within 30 days from the date of issue of invoice. Payments may not be delayed nor be subject to any deduction or set-off.

Any late payment shall be subject to the application of late payment interest equal to 8% per year. Any late payment of a sum due which continues eight days after formal notice to pay shall entail, at the Service Contractor's option, expiry of the contractual term or termination of the Contract.

the fact that the service contractor avails itself of either of these provisions shall not deprive it of the right to apply the reservation of ownership clause below.

14. RESERVATION OF OWNERSHIP

The Service Contractor reserves ownership of any Equipment supplied until effective payment of the whole price. Default in payment of any sum due may entail a claim for such Equipment. However, the Client shall, as from delivery to the workshop, be liable for any damage sustained or caused by said Equipment.

15. WARRANTY

Unless otherwise agreed, the warranty period for the Works shall be 12 months from the date of issue of the delivery notice. The Service Contractor undertakes to remedy, in its workshop, any operational fault caused by poor workmanship in the Maintenance Service provided that the Equipment will be shipped to the Workshop at the cost of the Client. In all cases, the warranty applies subject to the following conditions:

- a) The Client must give written notice of the defect without delay after its manifestation;
- b) The Client must be capable of proving observance of operating conditions and maintenance of the Equipment as requested by the Service Contractor;
- c) The warranty shall not apply in the event of:
 - Normal wear and tear, or wear in Equipment whose lifespan is less than 12 months;
 - storage, installation, commissioning, use or operation of Equipment not in compliance with its normal purpose or within the specifications, the Service Contractor's instructions or professional practice;
 - intervention, repair or dismantling by the Client or a third party not approved by the Service Contractor;
 - default in or delayed payment.

The warranty shall not apply, and the liability of the Service Contractor is excluded, in the event of non-payment by the Client which may not avail itself of any third-party claim to suspend or defer its payments.

16. LIABILITY

Notwithstanding anything to the contrary in the Contract between the Service Contractor and the Client and/or all general terms and conditions of the Client or any other applicable contract document and to the maximum extent permitted by the applicable law (with the exception of gross negligence and willful misconduct) the Service Contractor's maximum aggregate liability for any and all damages and losses resulting out of a Contract shall not exceed 50% the Contract Price and Service Contractor shall not be liable for loss of profit, loss of business, loss of production, loss of use, or any indirect or consequential losses or damages irrespective whether based on contract, law, tort or otherwise. Service Contractor's liability shall be excluded if a product has been operated, installed, maintained or repaired incorrectly or out of specification.

17. FORCE MAJEURE

No Party hereto may be held liable for delay or default in performing any of its obligations hereunder if such delay or default is the direct or indirect effect of an event of Force Majeure, such as: occurrence of a natural disaster; earthquake, storm, fire, flood etc; conflict, wars, attacks, acts of terrorism, workplace conflict, total or partial strike at the Service Contractor's business, the Client, or Service Contractors, subcontractors, providers of services, transporters, postal services, public services, etc.; imperative injunction from public authorities (import prohibition, embargo); operating accidents, machine breakage, explosion.

Each Party shall inform the other without delay of the occurrence of any event of Force Majeure of which it becomes aware and which, in its opinion, is likely to affect execution of the Contract.

The Parties shall hold discussions as quickly as possible to discern in good faith the consequences of the Force Majeure and jointly decide the measures to be taken. If some reason the Force Majeure event continues for more than 6 months and the Parties are unable to find a solution the Service Contractor may terminate the Contract at its own convenience and shall be reimbursed for all cost incurred including a termination fee.

18. SUBCONTRACTING

The Service Contractor shall be entitled to subcontract, without its liability to the Client being thereby affected.

19. APPLICABLE LAW AND DISPUTE RESOLUTION

The Contract is construed and shall be interpreted in accordance with the laws of Switzerland with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG).

In case of a dispute, the Parties shall make their best effort to solve such dispute amicable. If such dispute has not been settled between the Parties within sixty (60) days from the date of the relevant Party's written notification of a claim to the other Party, the courts at the registered office of the Service Contractor shall have exclusive jurisdiction. Service Contractor reserves the right to claim against Client at the Client's registered office.