

General Terms of Delivery

JAEGGI Hybridtechnologie AG (hereinafter “Supplier”)

I. Scope of validity

For use with:

1. natural persons acting in their commercial or self-employed capacity upon conclusion of the contract as well as legal entities, individual companies and partnerships governed by private law;
2. legal entities governed by public law and special assets governed by public law.

(hereinafter referred to as “Contractual Partner”)

II. General

1. All the supplies, services and offerings of the Supplier are effected solely on the basis of these General Terms of Sale and Delivery (hereinafter: “Delivery Terms”) except where the application thereof is expressly excluded. The Terms of Delivery are an integral part of all the contracts which the Supplier concludes with its contractual partners for the supplies and services offered by it. They shall also apply to future supplies, services or offerings, even if they were not again separately agreed.

2. Any terms of the Contractual Partner or of third parties deviating from these Terms of Delivery shall not apply, even if the Supplier does not separately object to the validity thereof in an individual case. These Terms of Delivery shall apply exclusively even if the Supplier unconditionally effects delivery in knowledge of terms of the Contractual Partner that are inconsistent with or deviate from these Terms of Delivery and/or refers to a letter which contains or refers to the terms of business of the Contractual Partner or of a third party.

3. The Supplier reserves the title and copyrights to cost estimates, drawings and other documents; they may not be made accessible to third parties. The Supplier is obliged to make drawings referred to as confidential by the Contractual Partner accessible to third parties only with its approval.

III. Offer

Information provided by the Supplier on the object of delivery or service (e.g. illustrations, drawings, indications of weights and measurements, design and performance data) as well as the representation thereof is only approximate, unless use for the contractually envisaged purpose requires exact conformity. They are not warranted characteristics, instead they are descriptions or distinctive features of the delivery or service. Customary deviations and deviations occurring on account of legal provisions or which constitute technical improvements and the replacement of

components through equivalent parts are permitted provided they do not adversely affect use for the contractually envisaged purpose.

IV. Scope of delivery

1. The written order confirmation of the Supplier is authoritative for the scope of delivery and where there is no order confirmation, the offer if an offer is made by the Supplier which is valid for a limited period and the offer is accepted within the period.
2. Supplements and amendments to the agreements made including these Terms of Delivery as well as collateral agreements must be in writing to become effective. Email and fax are equivalent to the written form.

V. Place of performance/Place of subsequent improvement

1. The place of performance for all obligations arising under the contractual relationship is Basel, Switzerland, unless otherwise stated. If the Supplier is also responsible for the installation or the delivery, the place of performance is the place where the installation or the delivery is to take place.
2. No. V.1 above applies to the subsequent improvement accordingly.

VI. Price and payment

1. Except where otherwise stated, the prices set out in the price list and the offers of the Supplier are net cash (without any deductions) ex works, but plus any dispatch costs and VAT at the legally valid amount.
2. An agreed discount deduction requires the punctual fulfilment of all the obligations of the Contractual Partner vis-à-vis the Supplier also arising under other contracts.
3. When ordering from the catalogue, the price lists of the Supplier valid on the date of the order are authoritative. If a period of more than four months lies between the order and the delivery, the list price of the Supplier valid on the date of delivery shall be authoritative.
4. When ordering special equipment and systems, the Supplier has the right to invoice increases in wage and material prices if any occur after making an offer until the time of completion, with an appropriate overhead surcharge. If the increase is more than 10% of the agreed price, the Contractual Partner has a right to dissolve the contract (right of termination or rescission).
5. Where no estimate is provided for work, it is charged based on hourly wages to be signed off by the Contractual Partner plus any wage surcharges and travel expenses and based on the material used billed at daily rates. Special requests or requests for modification(s) of the Contractual Partner after the order confirmation or after commencement of production shall also be charged separately.
6. If the Contractual Partner falls into arrears in whole or in part with the acceptance of goods, the furnishing of security or a payment due, the Supplier shall be entitled at its own option to proceed

analogously to No. 7 below or to withdraw from the contract after the expiry in vain of a reasonable deadline set for the Contractual Partner. The right to assert damages is reserved.

7. If after conclusion of the contract the Supplier gains knowledge of circumstances:

- (a) which appear suitable for significantly reducing the creditworthiness of the Contractual Partner and as a result of which payment of the Supplier's outstanding receivables by the Contractual Partner under the respective contractual relationship is jeopardised, the Supplier has the right to execute outstanding deliveries or provide outstanding services only against advance payment or provision of security;
- (b) indicating the credit unworthiness of the Contractual Partner, the Supplier shall also have a right of rescission. If the Supplier legitimately rescinds the contract for this reason, the Contractual Partner shall, at its own expense, mark the goods already delivered, store them separately and have them collected. Instead of rescinding the contract, the Supplier may prohibit the Contractual Partner from selling, mixing or processing the supplies or services and may withhold or refuse further deliveries to it and other contracts in whole or in part and demand the immediate payment of all deliveries.

The above judicial remedies shall not cause any restrictions to the legal rights of the Supplier. Claims of the Supplier to damages remain unaffected.

8. Invoice amounts shall be payable within 30 days without deductions of any kind, unless otherwise agreed in writing. The date on which payment is received by the Supplier is relevant for the timeliness of payments. Cheques shall count as payment only once these are cashed in and the amount is unconditionally credited. If the Contractual Partner fails to pay on the due date, outstanding amounts shall bear interest at 5% p.a. from the due date; the assertion of higher interest and further damage in case of default remains unaffected.

9. Payments are effectively made in EUR, unless expressly otherwise agreed.

10. The offsetting of counterclaims of the Contractual Partner or the withholding of payments on account of such claims is permitted only if the counterclaims are uncontested or have been recognised by declaratory judgement.

VII. Delivery time

1. Periods and dates proposed by the Supplier for supplies and services shall only be considered approximate, unless a fixed period or fixed date has been expressly promised or agreed. If dispatch was agreed, the delivery periods and delivery dates refer to the time when the delivery items are handed over to the forwarder, carrier or third party entrusted with the transport.

2. The delivery period commences upon sending the order confirmation but not before provision of the documents, approvals and clearances to be obtained by the Contractual Partner and before the receipt of an agreed down payment.

3. The delivery period is observed if, before the expiry thereof, the delivery item has left the factory or its readiness for dispatch has been notified.

4. If the non-observance of the delivery period is attributable to force majeure, political measures, labour disputes, traffic obstructions, traffic accidents or other incidents over which the Supplier has no control, the delivery time shall be extended by a reasonable period.

5. The delivery period shall also be extended if the circumstances set out above under No. VII. 4 also occur for a subsupplier.

VIII. Liability

1. The liability of the Supplier for damages, regardless of the legal ground, particularly due to impossibility, default, defective or incorrect delivery, breach of contract, breach of duties in contractual negotiations and tortious acts is limited under this No. VIII. if fault is of the essence in the case in question.

2. Subject to any express provisions to the contrary herein, the Supplier shall be liable solely for grossly negligent or intentional conduct of its executive bodies, legal representatives, employees or other vicarious agents.

3. Insofar as the Supplier is liable for damages based on the merits, its liability is limited to damage which the Supplier foresaw upon conclusion of contract as a possible consequence of a breach of contract or which it should have foreseen if it had applied due care. Indirect damage and consequential damage resulting from breaches of contract or defects in the delivery item are also only compensable if such damage can be typically expected upon use of the delivery item as intended.

4. The exclusions and limitations of liability above apply to the same extent in favour of the executive bodies, legal representatives, employees or other vicarious agents of the Supplier.

5. The limitations of this No. VIII. shall not apply to the liability of the Supplier due to grossly negligent or intentional conduct, for characteristics warranted in writing, for death, physical injury or an impairment of health or liability based on the Product Liability Act or the Product Safety Act. In the event of liability for characteristics warranted in writing that are based on simple negligence, the obligation of the Supplier to compensate property damage and other financial losses arising therefrom is limited to an amount of EUR 1.00 million per case of damage.

6. The occurrence of a delay in delivery shall be determined in accordance with legal provisions whereby each case shall require a warning by the Contractual Partner. If the Contractual Partner suffers damage due to a delay which arose as a result of the Supplier's own fault, it shall be entitled to demand, to the exclusion of further compensation for delay, for each full week of the delay, half a percent, but in total a maximum of five percent, of the value of the part of the complete delivery that cannot be used in time or according to contract as a result of the delay. If the delay is based on intent or gross negligence, legal liability shall continue to apply. However, the right is reserved for

the Supplier to furnish proof that the Contractual Partner did not suffer any damage at all or suffered much less damage than the lump sum above.

7. If dispatch is delayed upon request by the Contractual Partner, it shall be charged the storage costs incurred for the storage of the delivery items at the Supplier's factory beginning one month after notification of the readiness for dispatch. The Supplier is entitled to dispose of the delivery item otherwise and deliver items to the Contractual Partner with a reasonably extended period if the Supplier set the Contractual Partner a reasonable period in vain to declare its consent to the dispatch of the goods or to take over the goods.

8. The observance of the delivery period is subject to the fulfilment of the contractual duties of the Contractual Partner.

9. The continuous conformity of the equipment with applicable directives can be warranted only if the required assembly or replacement work can be carried out in explosion-proof environments by the Supplier. This concerns the following points:

- Assembly or replacement of explosion-proof fan motors
- Assembly or replacement of completely explosion-proof fans
- Assembly or replacement of repair switches for explosive environments
- Assembly or replacement of terminal boxes for explosive environments

Irrespective of whether the assembly or the replacement can take place within the warranty period, the Supplier can warrant continuous conformity of the equipment with applicable directives after assembly or replacement only if the replacement was carried out by a qualified employee of the Supplier. Assembly or replacement may generally only be carried out by a sufficiently competent person.

If the assembly or the replacement is carried out by an external firm not authorised by the Supplier, the declaration of conformity issued by the Supplier is no longer valid. In this case the operator or the Contractual Partner must ensure that the necessary examinations are carried out to warrant that the operation of this equipment continues to be admissible in explosive-proof areas. The firm performing the work is exclusively liable for the work performed which has the effect of exempting the Supplier from liability.

10. Based on their design and combination of materials, air-cooled lamella heat exchangers are optimised for operation with dry air. Lime deposits which lead to incrustations develop through the spraying and evaporation of water. Minerals (including salts) dissolved in the water can lead to various corrosion phenomena. The proportion of lime and minerals in the water differs widely and depends on the location. Therefore the water at the respective location must be analysed in advance for each project. To ensure fault-free operation of the sprayed heat exchangers/condensers in the long term, we have defined appropriate requirements for the water quality. No warranty is given for the moistened heat exchanger/condenser and the ADC system unless the defined water quality is ensured through suitable measures. Suitable measures are a softening plant or, in addition to the softening plant, demineralisation by means of reverse osmosis (depending on the original water quality at the respective installation location).

IX. Passing of the risk

1. The risk passes to the Contractual Partner upon dispatching the delivery parts at the latest, even if partial deliveries are made or the Supplier has assumed other payments or performance, e.g. the dispatch costs or delivery and installation. Upon request by the Contractual Partner, the consignment shall be insured at its expense by the Supplier against damage caused by theft, breakage, transport, fire and water and other insurable risks.
2. If the dispatch is delayed as a result of circumstances for which the Contractual Partner is responsible, the risk shall pass to the Contractual Partner on the date on which the delivery items are ready for dispatch.
3. The Supplier is entitled to make partial deliveries if the Contractual Partner can use the partial delivery for the contractually intended purpose, the delivery of the remaining goods ordered is ensured and this does not result in the Contractual Partner having a considerable amount of extra work or additional costs.

X. Inspection and acceptance of the supplies and services

1. The Contractual Partner must inspect the supplies and services within a reasonable period (acceptance test in accordance with No. X.3) and notify the Supplier of any defects without delay in writing. If the Contractual Partner fails to do so, the supplies and services shall be considered approved.
2. The Supplier must rectify the defects of which it has been notified according to No. X. 1 as rapidly as possible and the Contractual Partner must give it the opportunity to do so.
3. The performance of an acceptance test and the definition of the conditions applicable for this purpose can be specified in a separate agreement subject to No. X. 2. If no such separate agreement is made, the following applies:
 - The Contractual Partner must inform the Supplier of the performance of the acceptance test in such good time that the Supplier or its representative can take part in it.
 - A report shall be drawn up on the acceptance which shall be signed by the Contractual Partner and by the Supplier or by their representatives. It shall state that acceptance took place or it took place only with reservations or that the Contractual Partner refused acceptance. In both of the latter cases, the defects asserted must be recorded individually in the report and the following applies in this connection:

If there are any minor defects, particularly those that do not significantly impair the proper functioning of the supplies or services, the Contractual Partner may not refuse acceptance or refuse to sign the acceptance report. The Supplier shall rectify such identified defects without delay.- However, if the acceptance test reveals considerable deviations from the contract or serious defects, the Contractual Partner must give the Supplier the opportunity to rectify these within a reasonable grace period. Another acceptance test shall then be

performed. If considerable deviations from the contract or serious defects again become apparent or are still apparent in this test, the Contractual Partner may demand a price reduction, a compensatory payment or other payment/performance from the Supplier if agreed in this connection between the parties.

- However, if the defects or deviations which come to light during the test are so serious that they cannot be rectified within a reasonable period and the supplies and services cannot be used for the purpose notified or can only be used to a much lesser extent, the Contractual Partner has the right to refuse acceptance of the defective part or, if partial acceptance is not commercially acceptable for it, to rescind the contract. In this case the Supplier can only be obliged to reimburse the amounts which were paid to it for the parts affected by the rescission.

4. Acceptance shall also be considered to have taken place

- if the acceptance test cannot be performed on the scheduled date for reasons for which the Supplier is not responsible;
- if the Contractual Partner refuses acceptance without justification;
- if the Contractual Partner refuses to sign an acceptance report drawn up according to No. X.3 without justification;
- as soon as the Contractual Partner uses supplies or services of the Supplier.

XI. Retention of title

1. The retention of title agreed below serves to secure all current and future claims of the Supplier existing against the Contractual Partner under the supply relationship existing between the parties (including outstanding balances from a current account relationship limited to this supply relationship).

2. The goods supplied to the Contractual Partner shall remain the property of the Supplier until full payment of all secured claims as per contract.

3. The Contractual Partner is obliged to assist in measures required to protect the property of the Supplier; in particular, it authorises the Supplier (upon conclusion of contract) to arrange for the registration or pre-registration of the retention of title in public registers, books or similar according to the laws of the state concerned and comply with all the related formalities at the expense of the Contractual Partner.

4. The Contractual Partner shall maintain the goods supplied at its expense for the duration of the retention of title and insure them in favour of the Supplier against theft, breakage, fire, water and other risks. In addition, it shall take all measures so that the title to the property of the Supplier is neither adversely affected nor set aside.

XII. Warranty

1. Any liability of the Supplier for defects (warranty) on the conditions set out in No. VIII includes freedom from defects in the goods in accordance with the relevant state of the art, particularly flawless materials and flawless execution.

2. The Contractual Partner shall notify the Supplier without delay in writing of any defects identified.

3. In case of defects, including defects of title such as property right infringements of parts of other manufacturers which the Supplier cannot rectify for reasons of licensing law or factual reasons, the Supplier shall, at its option, assert its warranty claims against the manufacturers and suppliers for the account of the Contractual Partner or assign these to the Contractual Partner. In case of such defects and subject to other requirements being satisfied and subject to these Terms of Delivery, warranty claims against the Supplier shall be valid only if the judicial enforcement of the claims named above against the manufacturer and the Supplier has failed or has no prospect of success, e.g. as a result of insolvency.

4. If the Supplier is liable for defects, the Contractual Partner is obliged to give the Supplier the opportunity to effect subsequent improvement. If the Contractual Partner does not give the Supplier the opportunity to effect subsequent improvement, the Supplier is exempted from its liability. Only in urgent cases in which there is a risk to operational safety or to ward off disproportionately serious damage, of which the Supplier must be immediately informed, or if the Supplier is in delay with the rectification of the defect is the Contractual Partner entitled to rectify the defect itself or have it rectified by third parties and to demand the reimbursement of the necessary costs from the Supplier.

5. Subsequent improvement does not involve the removal of the defective item or re-installation if the Supplier was not originally obliged to install goods.

6. The warranty is excluded particularly

- a) in case of wear and tear and natural wear,
- b) for components and products subject to dynamic stress,
- c) in case of unauthorised assembly or commissioning by the Contractual Partner or third parties,
- d) in case of unsuitable or improper use,
- e) in case of improper or careless handling,
- f) in case of non-compliance with the operating and maintenance instructions,
- g) in case of non-compliance with the technical documentation,
- h) in case of the use of unsuitable operating resources,
- i) in case of modifications or repairs carried out without authorisation by the Contractual Partner or by third parties,
- j) in case of an unsuitable foundation or assembly location,
- k) in case of chemical or electrochemical influences, unless the Supplier is responsible for these.

7. Limitation

The Supplier shall grant a warranty of two years to the Contractual Partner from delivery of the goods based on the conditions set out above. The five-year limitation period in case of a movable

work that has been integrated into an immovable work as intended, remains unaffected. Agreements to the contrary remain unaffected.

XIII. Export

1. All products are delivered by the Supplier in compliance with the Goods Control Act (incl. appropriate regulations) and the War Material Act (incl. appropriate regulations) and are intended for use and intended to remain in the country of delivery agreed with the Contractual Partner. If the Contractual Partner intends to re-export the goods, it is obliged to obtain the licences required in this connection. The re-export of products – individually or integrated into a system – contrary to this provision is prohibited.
2. The Contractual Partner must independently obtain information on the respectively applicable provisions and regulations. Irrespective of whether the Contractual Partner states the final destination of the products supplied, it is the Contractual Partner's own responsibility to obtain licences from the foreign trade authority responsible, where necessary, before it exports such products. The Supplier is not responsible for providing information in this regard.
3. Any further delivery of products to third parties by the Contractual Partner, with or without knowledge of the Supplier, shall simultaneously require the transfer of export licence conditions. The Contractual Partner shall be fully liable in case of non-compliance with the relevant provisions.
4. The conclusion of contract with contracting parties is expressly subject to compliance with the provisions of the Goods Control Act (incl. appropriate regulations) and the War Material Act (incl. appropriate regulations). If the Supplier does not supply goods to the Contractual Partner on account of the provisions above, the Contractual Partner expressly waives any claims, irrespective of the kind, against the Supplier.

XIV. Place of jurisdiction and choice of law

1. The exclusive, also international, place of jurisdiction for all disputes arising directly or indirectly under the contractual relationship is Basel, Switzerland. The Supplier is also entitled at its option to bring legal action at the respective seat of the Contractual Partner.
2. The law of Switzerland is exclusively valid for these General Terms of Delivery and all legal relations between the Supplier and the Contractual Partner. The applicability of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded. Mandatory legal provisions remain unaffected.

XV. Miscellaneous

These General Terms of Sale and Delivery are drawn up in German, English and French. Should there be any differences in meaning between the different language versions, the interpretation of the German version shall be decisive.

07/2018 - These Terms of Delivery shall now be applied exclusively.