

General terms and conditions of business and delivery

General information

The following terms and conditions apply to all deliveries and work by Tehag Engineering AG under a purchase or work contract. Deviations from these terms and conditions will only be valid if they are agreed in writing between the contracting parties.

Other terms and conditions or order confirmations of the customer are expressly excluded, unless we have explicitly agreed to these deviating terms in writing in each individual case. Our terms and conditions of business and delivery are deemed to have been accepted when you place the order or receive our order acceptance, but no later than upon acceptance of our delivery.

Offers

Technical bases such as drawings, descriptions, illustrations and the like, as well as any technical details, are provided as a guide only, unless explicitly identified as binding. We reserve the right to make any changes that we deem necessary.

All documents supplied by Tehag Engineering AG remain the property of Tehag Engineering AG. They may not be copied or reproduced, made accessible to third parties or used for the purposes of independently producing the items concerned. The customer may use these documents for the purposes of maintenance and operation. They must be returned upon request.

Tehag Engineering AG is free to sell the goods offered for sale to third parties at any time.

If the customer has commissioned Tehag Engineering AG to develop a project but, following submission of the offer, does not ask it to go ahead with the execution of the project, Tehag Engineering AG will be entitled to demand that the customer pay its project planning costs. These costs will be invoiced in accordance with the evidenced amounts. Costs for clarifications fundamental to the preparation of the offer are excluded.

All measures connected to the installation of the products to be supplied (determining the location of the machine, status of the machine, providing the machine on the delivery date, etc.) are the customer's responsibility.

Tehag Engineering AG is only bound to the offer up until expiry of the acceptance period.

Order

The contract is formed if, following receipt of an order, Tehag Engineering AG confirms acceptance of the order in writing. Verbal agreements are only valid if they are confirmed in writing.

As part of the processing and use of personal and company data necessary for the conclusion or execution of a contract, Tehag Engineering AG may exchange data with, or transfer data to, authorities or companies that provide credit information, provided that this is to verify creditworthiness or enforce the debt. When handling your personal data, we undertake to comply with the provisions of Swiss data protection legislation.

Operational and maintenance requirements of Tehag Engineering AG, as well as instructions regarding proper use and permitted load, must be strictly observed.

Prices

Our prices are quoted net, ex works, excluding packaging, in Swiss francs or euros, without any deductions. All ancillary costs, such as costs for packaging, freight, insurance, export permits, import permits and other permits, as well as certificates, will be borne by the customer. The customer shall also cover all taxes, fees and duties levied.

If we have included the costs of packaging, freight, insurance and other ancillary costs in our price or shown them separately in the offer or order confirmation, we reserve the right to adjust our estimates in the event of changes in the rates.

Prices will be adjusted after conclusion of the contract where:

- A variable price has been agreed
- A delivery deadline is subsequently extended for one of the reasons specified under the delivery deadline
- The scope of the agreed deliveries and/or services has changed
- The material or design has changed because the documents provided to us by the customer did not reflect the actual circumstances or were incomplete

Payment terms

Unless otherwise agreed, payment is due within 10 days without deductions.

Payments must be made to us by the customer, without any deductions such as discounts, expenses, taxes and fees, in accordance with the conditions set out in the order confirmation. The payment obligation is deemed to have been fulfilled once Swiss francs or euros are available at our free disposal. If partial deliveries are invoiced, payment must be made in accordance with the agreed payment conditions for each individual delivery.

The payment deadlines must also be adhered to if transport, delivery, assembly, commissioning or acceptance of the delivery is delayed or prevented for reasons outside of our control. Reducing or withholding payments because of complaints, claims or counter-claims not recognised by us is not permitted. The payments must be made even if insignificant parts are missing but this does not prevent the supplied goods from being used, or if subsequent work on the supplied goods proves necessary.

If the customer fails to comply with the agreed payment terms, it will be obliged to pay interest of 5% from the due date, without any reminder being given. The payment of interest on arrears does not negate the obligation to make the contractually agreed payments.

In case of non-compliance with the payment terms, we are entitled to exercise our legal rights where the customer is in default (Swiss Code of Obligations Art. 107 et seq.).

Delivery

The delivery period begins upon conclusion of the contract, but at the earliest after receipt of all information and documentation to be provided by the customer as well as any advance payments to be made. The delivery deadline is determined based on the conditions in place at the time of conclusion of the contract and is binding. In case of unforeseen events that are beyond the control of Tehag Engineering AG, such as force majeure events, difficulties in procuring materials, operational disruptions, etc., the delivery deadline will be extended accordingly. Tehag Engineering AG will also suspend delivery for the time during which the customer has failed to fulfil its payment obligations on time.

Bonuses/penalties for changes to delivery dates can be set out in individual purchase agreements.

The delivery period will be extended accordingly if

- we do not receive the information we need to fulfil the order on time or if the customer subsequently changes this information and thus causes a delay in delivery,
- obstacles arise that we cannot avert despite exercising all due care,
- the customer is behind schedule with the work to be carried out or in default of fulfilment of its contractual obligations, particularly by failing to comply with the payment terms.

A penalty clause for delayed delivery requires a special written agreement.

In case of late delivery, the customer does not have the right to claim damages or withdraw from the contract.

Transfer of benefit and risk

The risk of accidental loss and accidental deterioration of the goods passes to the customer upon handover at the latest. If the goods are shipped at the customer's request, then these risks and the risk of delay will be transferred upon handover of the goods to the carrier, freight forwarder or other person/organisation engaged to transport the goods.

The customer is obliged to accept the ordered goods. Should the customer delay acceptance or violate obligations to cooperate, or if delivery is delayed for other reasons for which the customer is responsible, then we

are entitled to claim for losses suffered, as well as for any additional expenses incurred. We will charge a flat-rate compensation amount of CHF 50.00 per unit of the goods per day from notification of readiness for dispatch or scheduled delivery date. In this case, the risk of accidental loss and accidental deterioration of the goods immediately passes to the customer.

If the customer is in default of acceptance for longer than 10 calendar days, we will set a grace period of 5 days. Following expiry of the grace period, we will be entitled to withdraw from the purchase contract and claim compensation by reason of non-fulfilment. The loss suffered must be determined in each individual case, taking account of the above-mentioned daily flat rate. The customer remains free to provide evidence that the amount of the loss was lower than the sum specified or the flat-rate sum calculated.

Returns will not be accepted without our written consent.

Assembly

If our fitters are not able to start or continue a job for reasons for which neither you nor Tehag Engineering AG are responsible, all additional costs arising as a result will be borne by the customer, even if a flat rate has been agreed for the assembly or disassembly work. The customer must also provide the necessary auxiliary staff and assembly equipment (e.g. cranes) as per the agreement and in a timely manner. If the customer is obliged to make fitters and auxiliary staff available to Tehag Engineering AG, then their wages, benefits, insurance premiums and expenses must be covered by the customer.

Inspection and acceptance of delivery

The customer must check the delivery within three days of receipt of the goods and immediately notify us in writing of any deficiencies for which we are responsible under our contractual obligations. Should it fail to do so, the delivery will be deemed to have been accepted.

Acceptance tests will be carried out only if they have been agreed in writing with the customer. They will be performed in our workshops, insofar as circumstances permit. If, for reasons outside of our control, the tests cannot be completed by the specified deadline, the properties to be verified with these tests will be considered to be present.

Any further claims on the part of the customer due to defective delivery, particularly to compensation for direct and/or indirect damages and withdrawal from the contract, are excluded.

Retention of title

Goods that we supply will remain our property until the customer has settled our claims on time and in full. We will consider our claims to have been settled once we have received the corresponding payment or it has been credited to one of our accounts. If, in exceptional cases, we agree to our claims being settled by cheque/bill of

exchange, the retention of title also extends until redemption of the bill of exchange by Tehag Engineering AG and does not expire until the cheque has been credited to us.

The goods may not be pledged, sold, or rented out without our approval up until this time. We are authorised to register the retention of title with the relevant registration authority in the customer's place of domicile. In addition, the customer is obliged to immediately notify us

- of any change in its domicile or registered office
- if third parties/external companies make a claim to the goods delivered under retention of title

In the case of a breach of contract by the customer, particularly in the event of overdue payment, we are entitled to take back the reserved goods, after we have set a reasonable deadline for payment. A period of 10 working days is generally considered reasonable. Recovery of reserved goods will be at the expense of the customer. If we take back or pledge reserved goods, this does not automatically constitute a withdrawal from the contract. We are entitled to sell recovered goods immediately. The proceeds from the sale, taking account of the costs we incur to sell the goods, will be offset against our claims against the customer, up to a maximum of the originally agreed prices.

The customer undertakes to handle reserved goods with care and to store them appropriately. It must also adequately insure the goods against fire damage, water damage and theft, for at least their replacement value. If maintenance or inspection work is required on reserved goods, the customer undertakes to promptly perform this work in accordance with our specifications and at its own expense.

The customer may resell the reserved goods in the ordinary course of business, as long as it is not in payment arrears and until we revoke this right. The customer assigns to us, by way of security and with priority, its claims against its buyer or third parties arising from the resale of reserved goods, in full up to the amount of our claims including VAT, ancillary costs and all current account balance claims, regardless of whether the reserved goods are resold in processed or unprocessed form. We accept the assignment. The owner is not entitled to dispose of the reserved goods in any other way, particularly via pledging or provision as security. Assigning its claims to third parties for collection under a factoring agreement is also not permitted, unless the customer irrevocably obligates the factor to provide the service directly for our benefit for as long as we have claims against the customer.

If our reserved goods are resold with other goods not belonging to Tehag Engineering Switzerland, the assignment of the claim will apply for the gross invoice amount, including ancillary costs, of the reserved goods resold. If the reserved goods are processed, mixed or inseparably combined with other goods not belonging to

us, we will acquire co-ownership of the new item to the value of the reserved goods (gross invoice amount including all ancillary costs) at the time of processing. Where the processing is such that the new item is regarded as the main item, the parties hereby agree that the customer will transfer proportional co-ownership of the main item to us. We accept the transfer. The customer shall hold the resulting solely or co-owned main item for us free of charge. In addition, the same conditions apply to processed/mixed items as for the reserved goods. The processing, transformation or finishing of our reserved goods by the customer is always performed for us.

If assigned claims against the purchase of the reserved goods are included in a current account, the assignment will also include the acknowledged balance and, in the event of insolvency of the customer/buyer, the residual available balance.

Guarantee and liability

We undertake, on the customer's written request during the guarantee period, to repair or replace — the choice being ours — as soon as possible at the domicile of Tehag Engineering AG all parts of our delivery that can verifiably be shown to be defective or unusable as a result of poor materials, flawed design or poor workmanship. Replaced parts will become our property.

We will only bear the costs incurred to repair or replace the defective parts in our workshops. If the parts need to be repaired or replaced at another location, the customer must cover the resulting additional costs.

The provisions on claims for damages set out in Art. 100 para. 1 of the Swiss Code of Obligations apply to further rights of the customer.

The warranty period in the case of deliveries to end users is 24 months, or 12 months for used goods, and 4,000 operating hours or 24 months for particulate filters. The period begins upon readiness for dispatch or when assembly is completed. All electronic components, such as filter monitoring systems or control units and pumps for SCR systems, are excluded. A warranty period of 12 months applies to electronic components. Warranty periods begin on the date of our delivery note.

For goods from the exhaust treatment business segment (particulate filters, SCR systems, catalytic converters, etc.), diesel with a sulphur content exceeding 500 ppm and all biodiesel fuels constitute fundamentally unsuitable operating materials, insofar as they are used exclusively and not mixed with mineral diesel. Our liability is also excluded if the engine combustion is so poor that a turbidity value (K value) of 3.5 or greater is determined.

Damage caused by normal wear and tear, inadequate maintenance, disregard of the operating regulations or incorrect operation, or resulting from other causes for

which we are not responsible, is excluded from the guarantee.

The guarantee will become void if the customer or a third party makes modifications or repairs to the goods supplied without first obtaining our written consent, or if the customer fails to take appropriate and immediate measures to avoid further damage and to allow us to rectify the fault.

If the customer does not assert specific claims under the guarantee in writing before the guarantee period expires, we will be relieved of our guarantee obligation.

In case of third-party deliveries, we provide a guarantee only within the scope of the guarantee obligation of the sub-contractor.

Other claims for damages, particularly claims for compensation for damages not caused to the goods themselves, as well as all other possible claims, are excluded insofar as they are not as a result of gross negligence or wilful intent on our part or on the part of one of our vicarious agents. This applies, in particular, to any damages on the grounds of impossibility, delay, tort, breach of contractual conditions, as well as unsuitable advice during the initiation or execution of the contract.

Upon conclusion of the contract, the customer waives the right to assert claims for damages against us, our employees or our vicarious agents, where such claims arise as a result of ordinary negligence.

We reserve the right to make the subsequent performance owed dependent on the settlement of our invoice. The customer is only entitled to withhold an amount of the purchase price that is proportionate to the defect.

We undertake to provide the delivery in accordance with the contract and to fulfil our guarantee obligation. We will not accept any other liability to the customer for any damages.

Workplace safety

The customer shall inform Tehag Engineering AG prior to the start of work (e.g. commissioning, service work) if specific workplace safety instructions apply.

Industrial property rights, tools

We hereby undertake to provide deliveries within Switzerland free of property rights and copyrights held by third parties. We cannot offer any guarantee in this regard for deliveries abroad. If a customer in Switzerland is notified of a legitimate infringement of a property right by a product supplied by us or used in accordance with the contract, we will choose to either immediately obtain a right of use or modify the supplied goods so that they are free from property rights and copyrights. If this is not reasonably possible, the customer may exercise its statutory rights to price reduction and withdrawal. However, claims for damages against us are excluded.

In the case of deliveries of our goods abroad – whether processed or unprocessed – the customer releases us from any third-party claims relating to property rights and copyrights.

Where we produce and supply goods on the basis of models, drawings, designs or other documents provided by the customer, the customer will be responsible for ensuring that the goods are free from property rights and copyrights.

We hold the copyright to all offers, drafts, drawings, designs and other documents created by us, our employees or our vicarious agents on our behalf, and consider this to be our intellectual property. These documents may be made accessible to third parties only with our express written consent and must be returned on request and all copies destroyed. We reserve the right to claim compensation in the event of infringements.

If we manufacture special tools for individual projects and pre-assembled parts specially designed according to customer requirements, these tools will remain our property at all times, regardless of whether the customer has been charged for any of the production costs. The retention time, or further use, will be determined based on our operational requirements.

Miscellaneous

We use company and personal data that we collect from our customers during our business activities exclusively in accordance with the Data Protection Act for business purposes.

In addition to these general terms and conditions, we once again draw your attention to the fact that, to ensure the safe operation of our products, all information in the latest operating and maintenance manuals, manufacturer declarations and safety sheets must also be observed.

Written confirmation is required in each individual case for any guarantees beyond the guarantee conditions specified herein.

Place of performance, place of jurisdiction and applicable law

Unless otherwise agreed in the order confirmation, the place of performance for all deliveries and services is 8253 Diessenhofen, Switzerland.

If the customer is a businessperson, legal entity or manager of a public fund, the exclusive court of jurisdiction for both contracting parties, including internationally, for all rights and obligations arising from the business relationship is the district court of Frauenfeld, Switzerland. The application of the Vienna Convention is excluded.

We reserve the right, at our discretion, to bring an action before the competent court of the customer's domicile. All contracts are governed by Swiss law.