

**GREUB MACHINES SA
GENERAL TERMS OF SALE
FOR THE SALE AND DELIVERY OF
NEW AND USED MACHINES**

1. Foreword

- 1.1 These general terms form an integral part of any contract. Any changes must be the subject of a written agreement. The buyer's terms conditions shall not make an exception to them except with the formal written approval of the seller.
- 1.2 The contract shall be deemed concluded upon receipt of written confirmation from the seller that it accepts the order (order confirmation).
- Any bid not accompanied by an acceptance period shall not be binding.
- 1.3 The scope of delivery shall be determined by the contract. Changes or additions must be established in writing, as well as the buyer's specific requirements regarding work on parts, especially tolerances and manufacturing deadlines.

2. Drawings, technical documents and safety requirements

- 2.1 The data in the service and maintenance records, catalogs, prospectuses, circulars, advertisements, illustrations, price lists etc., concerning weights, dimensions, capacities, prices, yields and other similar data are not binding unless they are the stated specifically in writing in the contract.
- 2.2 Drawings, technical documents etc., enabling total or partial manufacture of the equipment and delivered to the buyer before or after the conclusion of the contract shall remain the exclusive property of the seller. Without the seller's consent, they cannot be used by the buyer, or copied, reproduced, transmitted or communicated to third parties. If the contract is not concluded, they must be fully returned to the seller.
- 2.3 The buyer must draw the seller's attention, no later than at the time of the order, to the requirements and standards applicable to the delivery of the supplies and services, their operations, including the prevention of disease and injury .
- Otherwise, the requirements and standards in effect at the seller's headquarters shall be the references.
- 2.4 Unless agreed otherwise, deliveries and services shall comply with standards and regulations in effect at the legal place indicated by the buyer to the seller in accordance with Section 2.3, subject to Section 2.3, paragraph 2. Different or additional security arrangements shall be supplied only if they have been expressly agreed upon.

3. Price

- 3.1 Prices are hereby understood to be ex-works and without packing (**Note: see Article 7.1**). They do not include installation or adaptations to cantonal or local regulations, or the buyer's company bye-laws. Written agreements deviating from this rule are reserved.

All incidental expenses, e.g., the costs of transportation, insurance, export permits, transit and importation, and other licenses and certifications shall be payable by the the buyer. The buyer shall also pay all taxes, fees, levies, customs duties and other charges levied in connection with the contract or shall reimburse the supplier, upon presentation of supporting documentation, to the extent that it has had to pay them.

- 3.2 The seller hereby reserves the right to change its prices in the event of changes in wages or prices of materials between the time of the bid and the performance of its obligations under the contract.

An appropriate adaptation of price shall furthermore result from:

- the extension of the delivery deadline based on any of the reasons mentioned in section 6.3, or
- the change in the nature or scope of delivery or of the agreed services, or
- the change of materials or execution, on the grounds that the documentation provided by the buyer does not comply with the actual circumstances, or was incomplete.

4. Payment terms

- 4.1 Payment shall, in principle, be made based on the terms and deadlines set by the parties and in the currency agreed upon in the contract.

- 4.2 The purchase price or the corresponding payments are payable on the deadlines established. Offsetting against any claim of the buyer is excluded, unless a written agreement on this subject is made. Notices of defects remaining unsettled do not release the buyer from its payment obligations.

- 4.3 Unless otherwise stated, the price shall be paid in Swiss francs in installments:

- one third as a down payment in the month following receipt by the buyer of the order confirmation,
- one third at the expiration of two-thirds of the agreed delivery period,
- the balance in the month following the notice from the seller that the delivery is ready for shipment.

- 4.4 Payment deadlines must be met, even if the transport, delivery, installation, commissioning or receipt of the delivery or services was delayed or made impossible for reasons that are not attributable to the seller, or if non-essential parts are missing, or if additional work is needed that does not prevent the use of the deliveries.
- 4.5 If the buyer is behind in its payments, the seller can either keep the contract and suspend performance of its obligations until the payment of the arrears, or terminate the contract. In both cases, it is entitled to demand damages.
- 4.6 The buyer shall be in default, even without warning, from the due date and shall owe the seller back interest at a rate of 5%. The right to seek further damages remains reserved.
- 4.7 If the buyer is in late in its payments, the seller may, if possession of the material has not yet been transferred to the buyer, upon written notice, terminate the contract and claim compensation for damages. The amount of compensation shall reach:
- 100% of the purchase price set, if the equipment has been developed or manufactured as a single piece for the buyer or has been specially ordered or equipped for the buyer.
 - 30% of the selling price set, for all other kinds of delivery equipment.
 - Compensation for any other damage that may be proven remains reserved.
- 4.8 If the equipment is already in the buyer's possession and the buyer is behind in its payments, the seller shall have the right to terminate the contract or to demand the immediate payment of the balance of the sale price. If the seller terminates the contract, the buyer shall be obligated to immediately send the things sold, free to the seller's residence. The buyer must also pay compensation for any depreciation, as well as rent. For the first year begun after the entry into possession, the compensation payable by the buyer shall be 30% of the sale price and 15% for each subsequent year begun. The rent shall be 1.5% of the sale price per month, calculated on the duration of the possession by the buyer. The buyer must also bear all costs for the assembly, dismantling, transport both ways, trucking, insurance, and all other possible expenses. For equipment produced as a single piece, Figure in 4.7 shall apply.
- 4.9 The buyer hereby expressly acknowledges that this method of calculating (Figures 4.7 and 4.8) is fair. Compensation for deterioration or clearly superior wear are reserved. Payments already made by the buyer shall be taken into account.

5. Retention of title

- 5.1 The buyer hereby acknowledges that the equipment shall remain the property of the seller until the full payment of the sale price. The seller shall be entitled to include the retention of title in the title-retention registry without the participation of the buyer. By signing the contract, the buyer gives its consent in the meaning of Article 4 of the Ordinance of the Federal Court concerning the registration of title retention.

- 5.2 Payments by the buyer shall only have an exemption effect when they are paid on behalf of the seller.
- 5.3 The buyer is hereby obliged to notify the seller immediately any change of address.
- 5.4 The buyer hereby agrees to treat the equipment with all the care necessary for its intended purpose, to provide routine maintenance, and to perform inspections provided for by the manufacturer.
- 5.5 Before taking possession of the equipment and until full payment, the buyer shall be obliged to insure the object of the sale to the seller, with an approved insurance company with headquarters in Switzerland or in buyer's the country of residence, against theft, breakage, fire hazard, elementary damage, machinery breakdowns, etc., at its own expense. Furthermore, it shall take all appropriate steps to prevent any interference with the seller's property rights.

6. Delivery deadlines

- 6.1 If the delivery date is not established by the contract, the delivery period shall run from the last of the dates mentioned below:
- Date of conclusion of the contract,
 - Determination of all technical and commercial details,
 - Fulfillment of all official formalities (such as obtaining import/export or transit permits, etc.),
 - Receipt by the seller of the deposit provided for under the contract or the order, or receipt of the order confirmation.

The delivery deadline shall be considered met if, on the due date, the seller has informed the buyer that the delivery is ready for shipment.

- 6.2 Compliance with the delivery deadline is tied to the satisfaction of the buyer's contractual obligations.
- 6.3 The delivery deadline shall be extended by an appropriate time period:
- if the information required for the execution of the contract was not sent to the supplier in time, or if the customer subsequently changes it, thereby causing a delay in the execution of the deliveries or services;
 - when the buyer or a third party is behind in performing the work assigned to it, or in the performance of its contractual obligations, particularly if the buyer does not comply with the payment terms.

If delivery is delayed by an event referred to in Figure 11.1, at the buyer's site, the seller's site or the supplier's factory, the delivery deadline shall be extended by the delay caused thereby, and the seller shall not be obligated to compensate for the direct or indirect damage that results. A delay in the delivery (for whatever reason) shall not allow the buyer to terminate the contract.

- 6.4 When, instead of a delivery deadline, a certain term has been agreed upon, it shall be the last day of a period; Figures 6.1 to 6.3 shall apply *mutatis mutandis*.
- 6.5 The risks shall pass to the buyer from the date on which delivery is ready to be made, subject to written agreements stating otherwise. If the buyer so desires, the seller can, at the buyer's expense, take out insurance covering risks of transport. It shall be incumbent upon the buyer to enter take out additional insurance.
- 6.6 If the buyer fails to take delivery on the date specified in the contract, the buyer shall nevertheless be required to make payments related to delivery dates, as if delivery had taken place. The seller shall provide storage for the equipment to be delivered at the buyer's expense and risk, after providing a storage fee of at least 3 months.
- 6.7 If the buyer does not take delivery within a reasonable time, despite a written reminder, the seller may terminate the contract and claim damages in accordance with Figures 4.7 and 4.8.

7. Packing

- 7.1 Packing shall be billed separately by the seller and is not included. However, if packaging is declared as property of the seller, it must be returned by the buyer FOB at the shipping location.

8. Transfer of risks and benefits

- 8.1 The benefits and the risks shall pass to the buyer when the deliveries leave the factory at the latest.
- 8.2 If shipment is delayed at the buyer's request or for other reasons not attributable to the seller, the risk shall pass to the buyer at the time originally scheduled for delivery from the factory. From that moment, shipments shall be stored and insured at the buyer's expense and risk.

9. Shipping, transport and insurance

- 9.1 The seller must be informed in time of any special requirements for shipping, transport and insurance. The buyer shall bear the costs and risks of transport.
- 9.2 The buyer is hereby obligated to take out insurance against any risks whatsoever.

10. Warranty

- 10.1 Subject to proper use, and up to 12 months from the time the equipment is ready for shipment for new equipment, the seller shall guarantee its conformity and proper operation. Defects under the warranty shall not allow the buyer to terminate the contract. No warranty is given for used machines. Any provision to the contrary must be the subject of a written agreement.
- 10.2 A warranty claim shall exist only if the buyer has verified the delivery within 10 working days, beginning from the start-up of the machine, but no later than 60 days after delivery, and reported defects to the Seller immediately in writing, in order to give the seller the opportunity to see this defect and remedy it. Otherwise, deliveries shall be considered accepted.
- 10.3 If the shipment is delayed for reasons beyond the buyer's control, the warranty period shall be extended by the time-period of the delay, so as to enable the buyer to take full advantage of the applicable warranty period.
- 10.4 If customer-handover examinations held at the seller's site or at the installation site, the terms of this handover must be the subject of written agreements established between the parties. Unless otherwise agreed, these handover examinations shall be performed according to current practices in the country and for the industrial branch in question.
- 10.5 The warranty period shall be applicable for everyday use of 8 hours in duration. If this period is exceeded, the warranty period shall be reduced in proportion to the overrun, but not by more than 6 months.
- 10.6 After being notified, the seller must remedy the defects at its own expense as quickly as possible. If the seller so requires it, the buyer must make available any assistance may be needed, free of charge. Unless the nature of the defect is such that it is appropriate to carry out the repairs at the installation site, the buyer shall return the defective parts to the seller for repair or replacement. In such cases, the seller's obligations shall be considered fulfilled regarding the defective part, by the delivery of the duly repaired or a replacement to the buyer. Parts replaced under warranty shall have a new 12 month warranty, without the warranty applied to all equipment being extended, however.
- 10.7 The seller's obligation does not apply to defects arising either out of materials provided by the buyer, or a type of construction imposed by the buyer.
- 10.8 The warranty shall not apply to defects caused by faulty maintenance, improper installation by the buyer, modifications made without the seller's written approval, inadequate repairs performed by the buyer, normal wear and tear, non-compliant use, interventions by third parties, the influence of limiting conditions during installation or service (e.g.: foundations, influence of temperature, vibrations, voltage variations, etc.), non-compliance with operating instructions.

- 10.9 If a claim is shown to be unfounded, the buyer shall bear all costs related thereto.
- 10.10 All work that is not expressly stated in the contract, or performed under warranty shall be invoiced, in particular:
- training necessary for programming and instructions for operation;
 - program optimization and calculations per part for new parts (time studies);
 - recommendations given by telephone and/or assistance outside of warranty claims;
 - time spent installing and commissioning additional, peripheral devices.
- 10.11 The warranty coverage is described exhaustively in Figure 10.6 and it is expressly agreed that the seller shall be obligated to no compensation for accidents to persons, damage to objects not related to the contract, the claims of third parties, the costs of any kind or shortfalls. Any claim of the seller or a third party with respect to the seller about repair all faults that have occurred to the subject of the contract during the warranty period and beyond defects proven to to be payable by manufacturer is excluded.
- 10.12 The conditions of the Swiss "Federal Act on Product Liability " (PSRA) shall remain strictly reserved.
- 10.13 When, during the operation of the object delivered it is established that the latter has a defect or fault, or that the object no longer meets the standard norms of new safety technologies, the buyer/user must proceed, at its own expense, with the modification or delivery and installation of the additional equipment necessary. The seller's maintenance and warranty obligations shall not be affected for all that and remain unchanged.

11. Reasons for exemption

- 11.1 The following events shall be considered grounds for exemption for the seller or the buyer, provided that they occur after the conclusion of the contract and prevent the execution: All circumstances beyond the control of the parties that may be classified as *force majeure*, such as war, strikes, insurrections, fires, requisitions by the government, embargoes.
- 11.2 The party invoking any of the events referred to above, shall notify the other party without delay, it will also notify the other party of the elimination of the reason in question.
- 11.3 If as, a result of such events, performance of the contract within a reasonable time becomes impossible, either party shall have the right to terminate the contract by written notice. In this case, the breakdown of costs incurred in the performance of the contract shall be established by mutual agreement between the parties. The term

"costs" within the meaning of this Figure, refers to actual expenses, incurred reasonably (excluding any shortfall). Each party shall keep its spending within a limited framework. As regards the equipment delivered to the buyer, the portion of the price payable under the contract which corresponds to this equipment shall be considered the seller's expense.

- 11.4 Termination of the contract for any reason whatsoever, shall not affect rights accrued between parties during the contract period until its termination.

12. Exclusion of all of the seller's other responsibilities

- 12.1 All cases of breach of contract and their legal consequences and all of the seller's claims, regardless of the legal basis, are covered exhaustively in these terms. In particular, are excluded any claims for damages, price reduction, termination or cancellation of the contract, which are not expressly reserved by it.

In no event shall the buyer be entitled to claim compensation for damages not caused to the object of the delivery, such as loss of production, interruption, loss of business, loss of earnings, and any other direct or indirect damages. This exclusion of liability shall not apply in cases of willful misconduct or gross negligence on the part of the seller, but it shall apply to fraud and gross misconduct by subsidiaries.

This exclusion of liability shall not apply when it is opposed to mandatory legal provisions.

13. Final provisions

- 13.1 If any provision of these general terms should prove ineffective in whole or in part, the contracting parties shall jointly seek an arrangement having a legal and economic effect as similar as possible to the invalid provision.
- 13.2 Swiss law is the sole law applicable.
- 13.3 In case of a dispute concerning the interpretation or enforcement of the provisions of these general terms, the jurisdiction shall be that of the seller's headquarters.

However, the seller is entitled to sue the buyer in the jurisdiction of the buyer's headquarters.