

1. Scope of Validity

- 1.1. The present conditions are valid for work undertaken in connection with maintenance, repair, modifications, re-commissioning and similar services by Contractor, as agreed upon in each case (hereinafter referred to as "Work").

2. Conclusion of Contract

- 2.1. The contract is deemed concluded when Contractor has accepted the order.
- 2.2. Purchaser shall intimate to Contractor any shortcomings, damage or deficiencies observed, which require Work or indicate the scope of inspection to be carried out by Contractor.
- 2.3. On request, Purchaser will be informed of the results of the inspection prior to the commencement of the Work. Contractor does not accept responsibility for the accuracy of the information on the anticipated cost. Where Purchaser, based on the result of the inspection, does not wish the Work to be executed, it shall pay for the cost incurred for the inspection and for the dismantling and reassembly work.

3. Technical Documents

- 3.1. Any technical documents of Contractor remain its intellectual property and may be neither copied nor reproduced nor communicated to a third party in whatever way. Such documents may only be used for the completion of the contract.

4. Obligations of Contractor

- 4.1. Contractor undertakes to carry out the Work by qualified and specialised personnel or to have it executed by third parties who, under the present conditions of maintenance and repair, are also referred to as contractors.
- 4.2. The item concerned shall be examined by Contractor to determine the labour and material requirements. Where additional services exceeding the Work prove to be necessary, they will be provided subject to prior agreement.

5. Obligations of Purchaser

- 5.1. Purchaser undertakes:
- 5.1.1. To make available to Contractor any technical documentation with respect to the item concerned.
- 5.1.2. To obtain spare parts in time and give them to the Contractor's personnel.
- 5.1.3. To arrange for the timely transport of the item concerned if required by maintenance or repair.
- 5.1.4. To undertake all that is necessary to enable the Work to be commenced in time and carried out without any hindrance or interruption. The Contractor's personnel shall not be called upon until all preliminary work has been completed.
- 5.1.5. To arrange about getting all entry, exit, residence, work and any other official permits for the Contractor's personnel.
- 5.1.6. To carry out skilfully all the civil engineering and other preliminary work at its own expense and risk, if necessary in accordance with the documents supplied by Contractor.
- 5.1.7. To inform Contractor of any legal, official or other regulations applying to the Work and plant operation.
- 5.1.8. To take out, at its own expenses, the necessary insurance to cover any damage to the item concerned.
- 5.1.9. To take, at its own costs, the necessary measures to prevent accidents. In particular, it shall inform Contractor expressly where special consideration for its own business and/or that of other contractors is required or where relevant regulations must be observed. Contractor shall be entitled to refuse or stop any Work if the safety of the personnel is not guaranteed.
- 5.1.10. To provide any necessary assistance in case of accident or illness of Contractor's personnel.
- 5.2. The items to be installed shall be stored in such a manner that they are protected from any damage or deterioration. Before Work is commenced, they shall be checked for completeness and damage by Purchaser in the presence of a Contractor's representative. Should any items be lost or damaged during storage, they shall be replaced or repaired at Purchaser's expense.
- 5.3. Purchaser shall provide for heated or air-conditioned, lockable rooms, including suitable sanitary facilities for the personnel. In addition, Purchaser shall provide lockable, dry rooms for the storage of materials and equipments. All said rooms shall be located in the nearby area of the place of work.
- 5.4. At its own cost and in accordance with Contractor's instructions or work programme, Purchaser shall supply in time the following services:
- 5.4.1. Provision of qualified skilled workers and auxiliary staff such as fitters, welders, electricians, masons, painters, sheet-metal workers, etc., including the necessary tools and equipments. The said workers shall follow the working instructions of Contractor. However, they are in the employ of Purchaser.
- 5.4.2. Supply of suitable and operational cranes and lifting gears with operating personnel, appropriate scaffolding and means of transport for personnel and materials, appropriate workshop equipment and measuring devices.

- 5.4.3. Provision of the necessary consumable and installation materials, cleaning materials, lubricants and miscellaneous items, etc..
- 5.4.4. Supply of the electrical energy and lighting required, including the necessary connections up to the place of work, heating, compressed air, water, steam, fuel, etc..
- 5.4.5. If necessary, provision of its own means of communication such as telephone, telex etc..
- 5.5. Purchaser shall take care that Contractor obtains in time the necessary licences for the import and export of tools, equipments and materials.
- 5.6. After completion of the Work, Purchaser shall, without delay and at its own expense and risk, send back the tools and equipments supplied by Contractor to the place designated by Contractor.
- 5.7. Where Purchaser fails to comply with its obligations, in whole or in part, Contractor is entitled to remedy such deficiencies either by itself or by means of third parties. All costs incurred with respect to this shall be borne by Purchaser. It shall indemnify Contractor against third party claims.
- 5.8. Where the Contractor's personnel encounter any danger or are considerably hindered in carrying out the Work due to any reason beyond the Contractor's control, then Contractor is entitled to order the withdrawal of its staff. In such cases and also in those cases where the staff are retained after completion of the Work, the corresponding hourly or daily rates are charged to Purchaser as waiting time, plus travelling expenses and daily allowance.

6. Works on Purchaser's Order

- 6.1. Unless Contractor has given its written consent, Purchaser is not entitled to involve Contractor's personnel for works that are not stipulated in the contract. Even if Contractor agrees to such work, no responsibility for same is taken by Contractor. Contractor shall not assume responsibility for works carried out on the Purchaser's order without special instructions of Contractor.

7. Working Times and other Times equivalent to Working Times

- 7.1. The Labour Agreements of the Swiss Mechanical Engineering Industry shall apply to the normal weekly working time as well as to overtime, night work, shift work and work on Sundays and public holidays.
- 7.2. The normal weekly working time shall be, as a rule, distributed over five working days. Where, for reasons beyond the Contractor's control, a shorter working time must be maintained, the normal working time is invoiced. As far as working hours are concerned, the Contractor's personnel shall observe the operational requirements of Purchaser and the local conditions. The normal daily working time is between 0600 hours and 2000 hours.
- 7.3. Working hours in excess of the weekly or daily working time are defined as overtime. Overtime work is only permitted when agreed by both parties. Overtime work should not, as a rule, exceed the daily working time by more than two hours and the normal weekly working time by more than ten hours.
- 7.4. The hours in excess of the normal daily or weekly working time worked between 0600 hours and 2000 hours are deemed to be overtime.
- 7.5. Normal working hours on weekdays between 2000 hours and 0600 hours are defined as night work (except for overtime night work).
- 7.6. Overtime work between 2000 hours and 0600 hours is defined as overtime night work.
- 7.7. Are deemed to be Sunday working hours any works carried out on Sundays or on weekly days of rest applying for the country in which the place of work is situated and on any other statutory holidays in the Contractor's country.
- 7.8. Travelling times and suitable time for preparation and settlement of the journey in accordance with the contract are defined as working time pursuant to clause 7.2. Travelling time includes:
- the time required for the journey to and from the site of work;
- the time required to move into the accommodation on the site as well as for official registration and departure formalities.
- 7.9. Where it is impossible to find suitable board and lodging near the place of work, the time used daily for the single journey exceeding half an hour between the accommodation or the meal facilities location and the place of work is charged as working time. All expenses arising from the above as well as the costs of the use of suitable means of transport shall be borne by Purchaser.
- 7.10. Where, due to any circumstances beyond the Contractor's control, the Contractor's personnel are hindered in carrying out the Work or retained, for any reason whatsoever, after completion of the Work, then Contractor is entitled to invoice the waiting time as working time. All related further costs shall also be borne by Purchaser. The same shall apply to any other hours lost due to reasons beyond the Contractor's control, such as local public holidays at the place of work.

8. Pricing

- 8.1. Principle
The Contractor's services shall be invoiced on the basis of time and expenditure (by result), unless a fixed price (lump sum) is agreed upon in

writing. The same shall also apply to preparation of technical documents, inspection reports, expert reports, evaluation of measurements and the like in connection with the order.

8.2. Works by result

The services provided by Contractor are invoiced as follows:

8.2.1. staff costs

Purchaser confirms the working hours carried out by the Contractor's personnel on time sheets. Where this confirmation is not given in time by Purchaser, the entries of the Contractor's personnel shall serve as the basis for calculation.

The rates referred to in appendix 1 shall apply to the working time, overtime, night, Sunday and holiday working times, travelling time and any other times equivalent to working times. Daily travelling times shall not exceed 12 hours per day. For works to be carried out under particularly dirty or difficult conditions, e.g. at great heights or depths, or where special protective clothing or breathing equipment must be worn, a surcharge for particularly hard work is charged per hour (in accordance with appendix 1) in addition to the normal rates and stay costs.

Where the said rates change prior to the commencement of or during the Work, they shall be calculated on the basis of the sliding price formula shown in appendix 2.

8.2.2. Travelling costs

The costs for the journey to and from the country concerned and the travelling costs within the said country in means of transport to be chosen by Contractor, including all necessary extras for e.g. insurance, freight, customs duties, charges for luggage, passports and visas, provision of the entry, residence and work permits, for medical examination on arrival and departure as well as vaccination of the Contractor's personnel are charged to Purchaser on the basis of time and expenditure.

Unless special circumstances require the use of another class, the following cost shall be invoiced:

- business class for air travel
- 1st class for rail and ship
- 2nd class rail travel in Switzerland for personnel
- compensation per kilometre according to appendix 1 for use of private car.

8.2.3. Cost of board and lodging (daily allowance)

Purchaser shall provide the Contractor's personnel with perfect and sufficient food as well as good and clean, heated and/or air-conditioned single accommodation at the work site or in its nearby area.

The daily allowance referred to in appendix 1 shall be charged in order to cover the cost of board and lodging which are not paid by Purchaser, as well as the extra cost for drinks, laundry etc..

Contractor reserves the right to change the said rates if there is an increase in the cost of living prior to the commencement of or during the Work or if the fixed daily allowances prove to be insufficient.

Purchaser may pay the costs of board and lodging (daily allowance) directly to the Contractor's personnel if Contractor has given its written consent. Unless otherwise stipulated, Purchaser shall always pay for board and lodging a fortnight in advance.

8.2.4. Home leave

Where the Work requires a long period of time, the Contractor's personnel shall be entitled to home leave. The period of absence that gives the right to such home leave is specified in appendix 1. The cost for the journey from the work site to the Contractor's registered office and back shall be borne by Purchaser.

The time required for the journey there and back and for the daily allowance shall be invoiced according to clauses 7.8 and 8.2.3.

Insofar as conditions at the place of work allow, the Contractor's personnel may decide to have themselves accompanied by their spouses as an alternative to home leave. The travelling costs resulting thereof shall be charged to Purchaser.

8.2.5. Costs for tools and equipments

Contractor provides its personnel with the normal set of tools necessary for the execution of the Work. Any further tools, equipment, measurement and testing devices shall be charged to Purchaser according to appendix 1. The duration of hire shall be calculated as from the day of dispatching the items ex works of Contractor until their return to the works.

Tools and equipments not returned will be charged to Purchaser at replacement costs.

Transport and insurance costs and any other expenses, duties and fees in connection with the import and the export of the tools and equipments shall be borne by Purchaser.

8.2.6. Costs for consumable materials and miscellaneous items

Costs for consumable and installation materials and for miscellaneous items supplied by Contractor shall be charged according to result.

8.2.7. Packing, transport, storage

Packing will be charged according to expenditures and is not taken back unless otherwise agreed.

Transport and storage are on Purchaser's cost.

8.2.8. Costs in case of sickness and accident

Where the condition of the sick or injured person requires transport home or involves a longer stay in hospital, Contractor is entitled to organize transport home.

8.3. Work at lump sum prices

8.3.1. The lump sum price covers the services to be provided by Contractor in accordance with the written agreements.

It is applicable provided that Work can be carried out without hindrances and that Purchaser has completed all required preliminary work and the necessary extra services in time.

8.3.2. Additional expenditure incurred by Contractor due to reasons beyond its control, such as subsequent changes to the contents or scope of the agreed work, waiting times, re-treatment, additional travelling, shall be borne by Purchaser. Their calculation is based on clause 8.2.

8.4. Taxes, duties, fees, social insurance contributions

Taxes, duties, fees, social insurance contributions and the like, owed by Contractor or its personnel in connection with the contract or with Work carried out outside Switzerland, shall be borne by Purchaser.

9. Terms of Payment

9.1. Unless otherwise stipulated, the price and the costs are invoiced monthly and shall be paid by Purchaser within 30 days of the date of the invoice. Contractor is entitled to require partial or complete payment in advance of the presumed amount.

Payments shall be made by Purchaser without any deduction (such as discount, expenses, taxes, fees, etc.) at Contractor's headquarters. Payment is deemed effected as soon as the amount in Swiss Francs has been made freely available to Contractor in Switzerland.

9.2. Purchaser shall not withhold or reduce any payments on account of complaints, claims or counter-claims not accepted by Contractor. Payment shall also be made if Work is delayed or becomes impossible for reasons beyond Contractor's control.

9.3. If Purchaser fails to observe the arranged payment terms, it shall be in default without formal reminder, and interest for late payment shall be charged at the usual interest rates at Purchaser's domicile. Contractor reserves the right to further claims. Payment of such interest does not release Purchaser from its obligation to make payments in accordance with the contract.

10. Completion Date

10.1. Any information on dates of completion are based on estimates and therefore not binding.

10.2. Purchaser cannot ask for a binding completion date before the extent of the Work is definite.

10.3. An agreed completion date shall be adequately extended:

- if information necessary for the execution of the Work is not given to Contractor in time, or if Purchaser makes additional subsequent modifications, or
- if Purchaser fails to observe its obligations arising from the contract, in particular if it fails to duly comply with the terms of payment or the obligations pursuant to clause 5, or
- under circumstances beyond the Contractor's control, such as threat of mobilization, war, civil war, riot or sabotage, or if such risks have occurred, or in case of labour-conflicts, accidents, illnesses, delayed or deficient delivery of necessary materials, measures or omissions by authorities or State institutions, unforeseeable transport difficulties, fire, explosion, acts of God.

10.4. Where an agreed completion date is not met for reasons for which Contractor is solely responsible, Purchaser is, if it has suffered damage by this, entitled to a compensation for delay of 0,5% per week completed, but not exceeding 5%.

The percentage of the compensation shall be calculated on the basis of the price for the Work of Contractor charged for the part of the plant which could not start operating in time due to the delay. Any further claims and rights due to the delay, in particular for damages, are excluded.

Where time limits of more than three months have been stipulated, Purchaser has no claim for compensation for damage resulting from delay during the first two weeks.

10.5. A completion date is also complied with, even though parts are missing or readjustments have still to be made, if operation of the machinery/plant is again possible or unhindered.

11. Acceptance of the Work

11.1. Acceptance of the Work shall only take place if agreed in writing with Purchaser.

11.2. The Work is ready for acceptance as soon as the object concerned can again be used for the appropriate purpose. This also applies even if non-essential parts are missing, readjustments are still required or if the object concerned cannot be brought into service for reasons beyond the Contractor's control.

11.3. As soon as Purchaser is notified that the Work is ready for acceptance, it shall proceed, without delay, to the testing of the Work in the presence of the responsible representative of Contractor and notify same in writing of any possible deficiency without delay. Where it fails to do so, the Work shall be deemed to be accepted.

12. Faulty Performance or Non-Performance

12.1. If Contractor fails to commence the Work without any reason or if faulty execution of essential contractual obligations by gross negligence can certainly be anticipated or if essential works have been executed contrary to the contract due to gross negligence of Contractor, then Purchaser is

entitled to give Contractor an adequate supplementary time limit for remedy. If, during such supplementary time limit, Contractor still fails to comply with its obligations, Purchaser may cancel the contract and transfer the works, at Contractor's costs, to a third party. The corresponding claims against Contractor shall be confined to the amounts referred to in clause 14.1. Any further claims of Purchaser, in particular for damages of any kind, shall be excluded notwithstanding the legal grounds.

13. Risk of Damage or Loss

- 13.1. Purchaser shall bear the risk of damage to or loss of the object concerned during transport, storage and execution of the Work, even if they are carried out in the works of Contractor.
- 13.2. In addition, Purchaser shall also bear the risk for the tools, equipments and materials it has provided.

14. Liability

- 14.1. Within the scope of the legal liability, but not exceeding the extent of cover of the usual Swiss Conditions for Third Party Liability Insurances, Contractor is liable for personal injury and property damage that may be caused by the execution of the Work it has carried. For damage to the object concerned or to other objects, Contractor is only liable if Purchaser is able to establish gross misconduct.
The Contractor's liability and that of its auxiliary staff is limited in total to an amount equivalent to the amount to be paid for the services of Contractor, however not exceeding a total amount of CHF 1,000,000 (one million Swiss Francs).
Any further claims of Purchaser, in particular for damages of any kind, are excluded notwithstanding their legal grounds.
- 14.2. Purchaser shall be responsible for any damage caused by its personnel. This applies also if the Contractor's personnel are directing or supervising the Work, unless gross negligence in the instructions or the supervision has been proved to have caused the damage.
Purchaser shall be responsible for any damage caused by deficiencies in the tools, equipments and materials it has provided. This applies also where the Contractor's personnel have used them without any complaints.

15. Warranty

- 15.1. For a period of twelve months after the completion of the Work and in accordance with the provisions below, Purchaser warrants that the Work carried out is free from any defects in material and workmanship.
Where the Work is interrupted due to reasons referred to in clause 10.3, the warranty period for the Work completed before the interruption starts running three months after the commencement of the interruption at the latest.
Where re-treatment work must be carried out under warranty, Contractor shall assume warranty to the same extent as for the original Work.
At any rate, warranty ceases three years after the conclusion of the contract.
- 15.2. Where the object concerned, any parts thereof or spare parts delivered or fitted within the terms of the contract prove to be defective or unserviceable during the period of warranty and this is established to be the result of poor workmanship or faulty material supplied by Contractor, same shall be repaired or replaced by Contractor at its own discretion and within a reasonable period of time, provided that such deficiencies are notified, during the period of warranty, to Contractor in writing immediately upon their discovery.
Contractor shall only assume warranty for deficiencies related to the works performed under its supervision by Purchaser's personnel or by third parties, if such deficiencies can be proved to have been caused by gross negligence of its personnel in their instructions or supervision of the works.
- 15.3. No warranty is accepted if Purchaser or a third party make modifications or repairs without the Contractor's written consent or if Purchaser fails to take measures to reduce the damage without delay.
- 15.4. Any claims and rights relating to deficiencies other than those specified in clauses 15.1 – 15.3 are excluded.

16. Place of Jurisdiction – applicable Law

- 16.1. The place of jurisdiction for both Purchaser and Contractor is the registered office of Contractor. However, Contractor shall also be entitled to sue Purchaser before the court having jurisdiction over the place of business of the latter.
- 16.2. The contract shall be governed by Swiss law.

17. Final Clauses

- 17.1. Any modifications to the contract are only valid if agreed upon in writing. Should any clause herein prove to be null and void, this shall not affect the validity of the other clauses. The parties undertake to replace invalid provisions by new ones, which serve best the economic objective of the contract.