

General Terms of Sale and Delivery of ANDRITZ MeWa GmbH ¹⁾

All supplies and services of ANDRITZ MeWa GmbH (hereinafter referred to "SELLER") will be carried out based on the present General Terms of Sale and Delivery ("GTSD").

1. Delivery and coming into force

The delivery stated and/or agreed shall start when the following conditions have been fulfilled:

- Receipt of the down-payment and/or payment securities by the SELLER (if required)
- Unconditional acceptance of the GTSD by the BUYER by signing the present order
- Approval of the SELLER's credit insurance agency (if required)
- Granting of an export permit (if necessary)

No Order placed by the BUYER shall be deemed to be accepted by the SELLER until a written acknowledgement of order is issued by the SELLER.

2. Delivery terms, taxes, customs duties

Any reference to INCOTERMS shall always mean INCOTERMS 2010. Notwithstanding the aforesaid, the SELLER's prices are to be understood without VAT or sales tax, customs duties, fees or other duties and taxes payable in the country of destination. The risk of accidental loss or damage shall transfer to the BUYER according to the respective INCOTERMS. Title of the goods shall transfer to the BUYER until full payment received.

3. Payment securities and interruptions of work

Unless otherwise provided for thereafter, the SELLER shall be entitled to request that the BUYER submit a bank guarantee or letter of credit issued by a bank acceptable to the SELLER for first demand in order to collateralize SELLER's outstanding claims.

Except stated otherwise, all invoices to be paid net within 30 days. In the event of a delay in payment by the BUYER to an entity within the ANDRITZ Group the SELLER shall be entitled to suspend its works, to extend the time schedule and to charge its additional costs. In the event of a delay in payment by the BUYER exceeding 30 days, the SELLER shall be entitled to terminate the contract.

4. Warranties

The SELLER warrants that the scope of supply of the SELLER is free from defects in material and workmanship, to the extent that these defects existed at the time of delivery. The warranty period shall commence at the date of delivery of the goods or the contract works and shall last for 12 months (warranty period). However, the warranty shall expire 14 months after the first partial delivery or notification that the first partial supply is ready for shipment. In the event of a delay in delivery of later partial supplies attributable to the SELLER, the warranty shall be extended by the time equivalent to this late delivery. Any defective parts shall be exchanged or repaired at the SELLER's discretion and constitutes BUYER's sole and exclusive remedy. Any claims under the warranty for parts replaced or repaired must be presented within 18 months after the date of the first delivery, to the extent that the warranty period has not previously expired. Rescission of the contract in the event that the repairs and remedies of the goods or contract works have entirely failed shall be permitted only if the plant or machine or the contract works is objectively not usable, the subjective interests of the BUYER not being authoritative.

The SELLER shall not be liable or shall have no warranty obligations for defects if:

- The goods delivered are not operated in accordance with the requirements and instructions of the SELLER;
- The goods delivered are not operated and maintained with original ANDRITZ MEWA spare and wear parts.
- The BUYER fails to have the scope of supply maintained by qualified personnel in accordance with the SELLER's operating and maintenance instructions;
- The goods are operated or used in connection with any mixture or substance or under conditions of use in deviation from the conditions for which they were developed or other than that for which they were designed.
- The BUYER fails to inform the SELLER in writing within 10 days from the occurrence of the defect or if the BUYER continues to operate the plant/machine despite obvious defects, causing the defect to be aggravated;
- The goods are repaired by someone other than the SELLER without previously obtaining the SELLER's approval and the goods are damaged through this fact;
- Defects are caused by the material provided by or requested to be used by the BUYER or a design prescribed by the BUYER.
- The goods delivered are used and therefore "second-hand" sold under the condition "as is".
- At any event, the warranty shall not cover deterioration due to erosion, corrosion, wear and tear, wearing parts and reused or overhauled parts.

The express warranties the SELLER makes in this paragraph 4 are the only warranties it will make. There are no other warranties whether statutory, oral, express or implied. In particular, there are no implied warranties of merchantability or fitness for a particular purpose. The remedies provided in Paragraphs are BUYER's exclusive remedy for breach of warranty.

5. Liability

Notwithstanding other conditions of these GTSD and contracts resulting therefrom, the SELLER's liability shall be limited as follows.

- a) The SELLER and its employees, sub-suppliers and suppliers shall not be liable to the BUYER for any: (1) loss of use or loss of profit or loss of earnings or loss of revenue or loss of business opportunities (whether foreseeable or not), loss of interest or loss caused by plant shutdown or impossibility of plant operation at full capacity or additional cost of keeping up operation, loss of future contracts, customer claims, cost of raising funds, loss caused by use of capital and/ in particular not for: (2) special, accidental, indirect damage or consequential damage (whether foreseeable or not).
- b) The SELLER shall not be liable for any hazardous material, certain characteristics of the subsoil, contamination of the subsoil and of structures deviating from the expected state; Furthermore, the SELLER shall not be liable for any equipment or part thereof to be reused in the course of the project,

while it is found during the project execution that the state of repair of this equipment deviated from the expected state.

c) If a delay in the delivery of the last main shipment (i.e. equipment that may affect project schedule) has been caused solely by the SELLER, the SELLER shall be liable to pay, after a grace period of 2 weeks the following liquidated damages for delayed equipment delivery of 0,5% of the order value for each full week of delay. However, such liquidated damages for delayed delivery shall not exceed a maximum of 5% of the order value and shall constitute BUYER's sole and exclusive remedy for delay.

d) SELLER's aggregate liability arising out of this Business transaction for whatever reason, including the payment of liquidated damages, compensations, warranty obligations, claims for damages, etc. shall be limited to 20% of the order value. Any and all remedies provided by these GTSD shall constitute BUYER's sole and exclusive remedy.

e) Any liability of the SELLER in connection with this Business transaction shall expire after a time lapse of 6 months after the end of the warranty period.

f) The liability exclusions and limitations stated in these GTSD are not applicable in cases of gross negligence, intent or damage to life and limb caused by the Seller. In case of gross negligence or deliberate cause of damage, the seller is liable within the reasonably foreseeable damage.

6. Force majeure

The following foreseeable or unforeseeable events that are beyond the reasonable control of the Parties and impede the performance of the contract shall be considered events of force majeure: official measures, changes in legislation, strikes, lock-outs or other means of industrial disputes, terrorism, war, insurrection, commotion, lightning, earthquake, fire, severe weather conditions, forces of nature, inundations, sabotage, delays caused by transportation, non-availability of means of transport, non-availability of loading and unloading equipment, impossibility of obtaining labour or materials from the usual sources, serious accidents on the part of the SELLER or its sub-suppliers, theft, explosions, etc. Each Party shall be entitled to suspend or limit its performance to the extent that it is impeded or impaired by reason of the occurrence of force majeure (except for the obligation to make payments), provided the impaired party has promptly informed the other party of this delay in writing (by e-mail or fax, etc.). The duties of the impaired Party shall then be suspended or limited for the time of the event of force majeure and for the time required to resume work. The schedules will be adjusted by reason of these delays.

If such interruptions or limitation of activities exceed four consecutive months or more than 6 months in a 12-months period, the SELLER and the BUYER shall be entitled to terminate the contract by giving written notice. No claims may be asserted by reason of violation of obligations caused by Force majeure. Any and all claims and cost existing before the occurrence of force majeure shall remain valid and shall be taken into consideration.

7. Confidentiality

The information made known by the SELLER in connection with the present Business transaction and any contract based on this Business transaction include confidential and protected technical and commercial information of the SELLER. The BUYER undertakes not to pass on this information to any third party without the prior written agreement of the SELLER. The BUYER will not permit any third party to manufacture the scope of supply or part of it using the drawings and documents provided by the SELLER. The BUYER shall use such drawings and documents exclusively in connection with the present Business transaction and any contract based on this Business transaction. All drawings, documents, etc. shall remain the SELLER's intellectual property, and the SELLER may request at any time that they be returned.

8. Miscellaneous

Either Party may terminate this Contract if the other Party becomes insolvent or bankrupt or otherwise is put under public administration due to its failure to fulfill its operational or financial obligations.

This business transaction shall be on these conditions mentioned herein to the exclusion of all other terms and conditions (including any terms or conditions which the BUYER purports to apply under any purchase order, confirmation of order, specification or other document).

Any software included in the SELLER's scope of supply and which will be handed over to the BUYER during the performance of the contract, will be made available to the BUYER on the basis of a non-exclusive and non-transferable software license. The BUYER acknowledges that the SELLER party relies on software products of third parties, and that such software may be subject to further restrictions.

9. Applicable Law and Arbitration

If the BUYER has its seat in Germany, the choice of law shall be as follows: This Proposal and any contract based on this Proposal shall be subject to the material laws of Germany, excluding the UN CISG 1980 and the conflict of law rules, e.g. IPRG.

If the BUYER has its seat outside Germany, the choice of law shall be as follows: This Proposal and any contract based on this Proposal shall be subject to the material laws of Switzerland, excluding the UN CISG 1980 and the conflict of law rules, e.g. IPRG.

If the BUYER has its seat outside Germany and this Proposal and any contract based on this Proposal is drawn up in English language then the language of the arbitration proceedings shall be English. All disputes arising from this contract and in connection therewith shall be exclusively settled under the rules of arbitration and conciliation of the International Chamber of Commerce by three arbitrators appointed in accordance with these rules. The ruling of the arbitrators shall be final and binding on the Parties. The seat of the arbitration tribunal shall be in Munich and the procedure shall be held in English. The unsuccessful party shall bear the cost of the arbitration procedure, or the costs shall be split between the parties in accordance with the arbitration award. The arbitration award shall therefore also contain a decision on the cost.
