

General Conditions of Sale

Maag Pump Systems AG (hereinafter called Maag)

1. General

- 1.1. Offers which do not stipulate a period within which to accept shall not be binding upon Maag.
- 1.2. In order for Maag to be obligated hereunder to the customer, Maag shall have issued its written order confirmation stating its acceptance of the customer's order.
- 1.3. These General Conditions shall be binding if declared applicable to the transaction between the parties in the offer or in the order confirmation. Any conditions stipulated by the customer which are in contradiction to these General Conditions shall only be binding if acknowledged and accepted by Maag in writing.
- 1.4. Only written agreements and statements by and between the parties are binding.
- 1.5. In the event that a provision of these General Conditions proves to be wholly or partly invalid or unenforceable the parties to the contract shall jointly seek and agree to an arrangement having a legal and economic effect which will be as similar as possible to the invalid or unenforceable provision.

2. Goods and Services

- 2.1. The goods to be supplied and the services to be rendered shall be specified in complete detail in the order confirmation and in the appendices attached thereto. Maag, however, shall be entitled to make any improvements to the goods, provided such improvements do not result in price increases.

3. Technical Documents

- 3.1. Unless otherwise expressly so agreed, brochures and catalogues are not binding and do not form a part of any agreement between the parties. Data provided in technical documents and drawings are only binding if expressly so stipulated.
- 3.2. Maag retains all rights to and regarding technical documents and drawings provided to the customer. The purchaser expressly recognises these rights and shall not (without previous written consent of Maag) make these documents available to any third party either in whole or in part, nor shall the customer use the technical documents for purposes other than those for which they were provided to the customer.

4. Safety Regulations and Devices

- 4.1. Unless otherwise expressly so agreed, the goods to be supplied and the services to be rendered shall comply with the regulations and minimum standards in effect in Switzerland as of the time of delivery. Alternative or additional safety devices shall be supplied only if expressly so agreed by Maag.

5. Prices

- 5.1. All prices shall be deemed to be net ex works, excluding packaging, in freely available Swiss Francs without any deduction whatsoever.

Any additional charges, including but not limited to packing, freight charges, insurance premiums, fees for export, transit, import and other permits as well as for certifications, are at the expense of the customer. Likewise, the customer shall bear any and all taxes, fees, levies, custom duties and the like which are levied out of or in connection with the contract, or shall reimburse Maag in the event that Maag is held liable for any or all such charges.

- 5.2. Adjustments of terms and prices after the contract has been entered into will be made only to the extent that

- sliding prices have been agreed upon;
- the delivery time has been subsequently extended due to any reason stated in paragraph 8.2;
- the nature or scope of the agreed goods to be supplied or services to be rendered have changed;
- the materials to be utilized or method of manufacture or performance have undergone modifications because specifications furnished by the customer to Maag were incomplete or inconsistent with the nature, function or objective of the items to be supplied or the services to be rendered.

6. Terms of Payment

- 6.1. Payments shall be made in Zurich in accordance with the terms as set forth in order confirmation, without any deduction for cash discounts, expenses, taxes, levies, fees, duties, and the like.

If partial deliveries are specified and subsequently so invoiced, payments shall be made separately for each delivery, according to the terms of payment agreed upon.

In the event that payment by draft is specified, the customer shall pay the cost of discounting such draft and the customer shall pay any taxes and collection charges.

- 6.2. The dates of payment shall be met regardless of whether the transport, delivery, installation, commissioning or receipt of the goods to be supplied or services to be rendered is delayed or prevented due to reasons beyond Maag's control, and notwithstanding that unimportant parts which do not interfere with the use and function of goods to be supplied may be missing, or post-delivery work which does not

interfere with the use and function of the goods to be supplied remains to be performed.

- 6.3. If the advance payment or the contractually agreed upon securities are not provided in accordance with the terms of the contract, Maag shall be entitled to enforce or to terminate the contract, and shall in either case be entitled to claim damages.

If the customer is in default with respect to any payment, or if Maag has reason to believe that it will not receive payments in full or when due because of circumstances which arise subsequent to the commencement of the contract, Maag, without prejudice to its rights provided by law, shall be entitled to suspend further performance of the contract and to withhold the goods ready for dispatch until new terms of payment and delivery will have been agreed upon by the parties and until Maag will have received satisfactory collateral. If such an agreement cannot be reached within a reasonable time, or in the event that Maag does not receive adequate collateral, Maag shall be entitled to enforce or to terminate the contract, and shall in either case be entitled to claim damages.

- 6.4. If the customer is in default with respect to the agreed terms of payment, he shall be liable, without further notice, for interest on the amounts due. Such interest shall be determined by adding 4% over the current discount rate applied by the Swiss National Bank at the time of default.

- 6.5. The customer may not retain or set off his payment or any part thereof because of claims not recognized by Maag.

7. Reservation of Title

- 7.1. Maag shall retain title to all goods to be supplied until Maag receives full payment therefore in accordance with the terms of payment.

- 7.2. The customer shall cooperate in any measures necessary for the protection of Maag's title.

- 7.3. As long as Maag retains title to the goods but while the customer has possession of the goods, the customer shall, at his own cost, maintain the goods and insure them for the benefit of Maag against theft, breakdown, fire, water and other risks. He shall further take all reasonable measures to ensure that Maag's title is in no way prejudiced.

8. Period of delivery

- 8.1. The period of delivery shall not start until the contract is entered into, all official formalities such as, but not limited to, import, export, transit and payment permits and possible securities have been completed, payments due with the order have been made, any agreed collateral given and the main technical points settled. The delivery period shall be deemed to be complied with if within such period Maag has sent a notice to the customer informing the customer that the goods are ready for dispatch.

- 8.2. The period of delivery shall be reasonably extended if:

- a) the information and specifications required by Maag for performance of the contract are not timely received by Maag, or if the customer subsequently changes such information and specifications thereby causing a delay in the delivery of the goods of services to be rendered;
- b) events or circumstances occur which are beyond the control of Maag and which prevent or delay the delivery of goods to be supplied or the services to be rendered. Such events may include, but shall not be limited to, epidemics, mobilisation, war, revolution, serious breakdown in the works, accidents, labour conflicts, late or deficient delivery by subcontractors of raw materials, semi finished or finished products, the need to scrap important work pieces, official actions or commissions by any state authorities or public bodies, natural catastrophes or acts of God; or
- c) the customer or a third party fails to timely perform his contractual obligations, in particular if the customer fails to observe the terms of payment.

- 8.3. The right to claim liquidated damages due to late delivery is conditioned upon a separate agreement in writing. The customer shall have a right to claim damages due to late delivery only in case it can be proved that the delay has been caused by Maag and only in as far as the customer can prove a loss suffered as a result of such delay. If substitute material can be supplied to accommodate the customer, the customer is not entitled to claim any damages.

- 8.4. In case a specific date instead of a delivery period is fixed, Maag's obligations hereunder with respect to such specific date shall correspond to Maag's obligations on the last day of a delivery period, and paragraphs 8.1 - 8.4 shall apply.

- 8.5. Any delay of the goods to be supplied or services to be rendered described in paragraphs 8.1 and 8.2 shall not entitle the customer to claim damages or to cancel the contract.

9. Packaging, Transportation, Insurance

- 9.1. Packaging shall be charged separately by Maag and is not returnable. However, if any such packaging is required to be returned to Maag, such packaging shall be returned CIF by the customer.

9.2. Special requests with respect to transportation and/or insurance shall be timely submitted to Maag.

9.3. The transportation and delivery of goods to be supplied shall be at the customer's expense and risk. Immediately upon receipt of the goods or of the freight documents the customer shall notify the last-involved carrier of any complaints in the context of transportation.

9.4. The customer shall be responsible for obtaining insurance against all risks related to the performance of the contract and the delivery and receipt of the goods ordered.

10. Passing of Benefit and Risk

10.1. The benefit and the risk of the goods to be supplied shall pass to the customer on the date of their dispatch from Maag's place of business.

10.2. If dispatch is delayed at the request of the customer or due to reasons beyond Maag's control, the responsibility for all risks related to the goods to be supplied shall pass to the customer at the original time for dispatch. From such time, the goods to be supplied shall be stored and insured on the account of and at the risk of the customer.

11. Inspection of the Goods to be Supplied

11.1. To the extent that it is required to do so by standard commercial practice, Maag shall inspect the goods to be supplied before dispatch. Special requests for further testing must expressly be agreed upon in writing and shall be paid for by the customer.

11.2. The customer shall inspect the goods supplied and evaluate the services rendered within a reasonable period and shall immediately notify Maag in writing of any deficiencies. If the customer fails to notify Maag, the goods supplied and services rendered shall be deemed to have been approved and accepted.

11.3. Maag shall promptly remedy any deficiency about which it is notified pursuant to paragraph 11.2 as soon as possible. The customer shall cooperate with Maag to the extent necessary to permit Maag to remedy any such deficiencies.

11.4. Deficiencies of any kind in supplies shall not entitle the customer to any rights and claims other than those expressly stipulated in paragraphs 11 and 12.

12. Warranty

12.1. The warranty period is 12 months, or 6 months if operated on 24-hour basis. The warranty period starts when the goods to be delivered are ready for dispatch or, if Maag also undertakes the installation, upon completion thereof. In any event, the warranty period shall end not later than 18 months after Maag's notification that the goods to be delivered are ready for dispatch.

For parts replaced or repaired by Maag the warranty period is the shorter of 6 months after installation or 24 months after the warranty period for the goods supplied hereunder has started (or after such goods have been made ready for dispatch).

The warranty period for separately furnished spare parts is 12 months, provided such spare parts are installed by Maag specialists, and such warranty period lasts not longer than 18 months after such parts' readiness for dispatch.

12.2. The warranty period shall immediately terminate if the customer or a third party modifies or repairs any machinery or equipment delivered by Maag without the written consent of Maag, or if the customer, in case of a defect, does not immediately take appropriate steps to mitigate the damage and give Maag the opportunity to remedy such defect.

12.3. Upon written request of the customer, Maag may undertake at its choice to promptly repair or replace any parts of the delivered goods which, before the expiration of the warranty period, are proved to be defective due to bad material, faulty design or poor workmanship. Such defective parts shall become Maag's property once replacement occurs.

12.4. Maag shall not bear the costs of any repair work performed by third parties unless such third parties have been authorized in writing by Maag to repair or replace defective parts.

12.5. Excluded from Maag's warranty are all deficiencies due to normal wear and tear, improper maintenance or storage, failure to observe the operating instructions, incorrect or excessive use, influence of damaging chemical or electrolytic action, water which contains sand, is incrusting or polluted, corrosion, erosions, cavitations or the like, defective foundations, construction and installation work not performed by Maag, as well as other reasons beyond Maag's control.

12.6. With respect to machining orders Maag warrants proper performance. In the event of a defect in the machining process the machining will be reperformed free of charge upon any new materials supplied by the customer to Maag without charge. The customer shall have no further remedy for such defects in the machining process.

Maag does not provide any warranty unless all conditions as to the utilization thereof are known by Maag at the time of the acceptance of the order.

12.7. With respect to subcontractors selected by the customer, Maag provides a warranty against defects in the goods supplied by such contractors only to the extent of such subcontractors' warranty for such goods.

12.8. With respect to defects in material, design, workmanship or missing properties, the customer shall neither be entitled to any contractual or extra contractual rights and/or claims nor any rights of recourse other than those expressly stipulated in paragraphs 12.1 – 12.8, above.

12.10. Maag is liable only to the extent of bad faith or gross negligence with respect to claims arising out of faulty advice or assistance to the customer.

13. Exclusion of Further Liability

13.1. Any claims of the customer which are not expressly stipulated in these General Conditions (paragraphs 12.1 – 12.10) are excluded, irrespective of the legal ground on which they arise (contract or torts). This exclusion refers in particular to all claims concerning damages, reduction of price or termination of the contract; under no circumstances shall the customer be entitled to the payment of damages due to defects or to indirect, incidental or consequential damages of any nature whatsoever (including but not limited to loss of production, personal injuries, recourse and requirements from patent rights third). Maag will not assume any liability for possible legal protection violations through the usage of the delivered products.

14. Intellectual Property rights

14.1. Maag is and remains the sole owner of all intellectual property rights pertaining to the goods. Customer is not allowed to make any use of Maag's industrial property rights. If the customer is in breach of this provision, Maag is entitled to claim damages even though there is no fault or negligence which can be attributed to customer and/or his employees.

15. Place of Fulfilment

15.1. Place of fulfilment for both the customer and Maag is Zurich, even if the delivery is made pursuant to CIF, FOB or similar Incoterm clauses. If Maag has also undertaken the installation, the place of installation is deemed to be the place of fulfilment only with respect to Maag's obligation of installation.

16. Jurisdiction and Applicable Law

16.1. The place of jurisdiction for both the customer and Maag shall be Zurich. Maag shall, however, remain entitled to sue the customer at the latter's registered address.

16.2. The contract and these General Conditions shall be governed by and construed in accordance with Swiss law. The parties herewith expressly waive the application of the United Nations Convention on Contracts for International Sale of Goods of April 11, 1980.

17. Ethical Business Practices

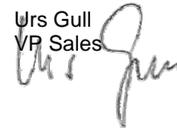
Company Maag Pump Systems AG requires manufacturing and business practices that are compliant with all applicable laws and regulations, including, the need to conduct all transactions in compliance with ethical business practices. Both the Company and the Buyer agree that neither of them nor their employees, agents, representatives or other intermediaries will engage in any activity that may be construed to be in violation of their respective codes of ethical business practices or applicable law. Buyer acknowledges and agrees that it shall not, in regards to the sale or resale of the Company's products, make any payment or transfer of value to any third party (including through any or multiple intermediaries) that would cause either the Buyer, Company or Company's affiliates to violate either the U.S. Foreign Corrupt Practices Act or any other applicable anti-corruption laws. Buyer shall indemnify and hold Company and Company's affiliates harmless in the event of any breach of this paragraph by Buyer or any of its intermediaries.

Maag Pump Systems AG

Ueli Thuerig
President



Urs Gull
VP Sales



Oberglatt, Februar 2015