

# GENERAL TERMS AND CONDITIONS OF SALE OF ADVANCED EQUIPMENT AND SERVICES, VERSION 2009

## **1. APPLICATION OF THESE TERMS**

The following General Terms and Conditions shall be deemed included as part of any offer submitted by ADVANCED Equipment and Services (hereinafter referred to as "ADVANCED Equipment and Services") for the sale of products, equipment, related spare parts and services (hereinafter referred to collectively as the "Product") manufactured, delivered or rendered by ADVANCED Equipment and Services to a purchasing customer (hereinafter referred to as the "Purchaser"). All orders from the Purchaser are subject to the General Terms and Conditions stated herein. All contracts entered into between ADVANCED Equipment and Services and the Purchaser includes, as a material part, these General Terms and Conditions. All modifications or deviations from these General Terms and Conditions must be expressly accepted in writing by ADVANCED Equipment and Services.

## **2. FORMATION OF CONTRACT**

2.1 An offer submitted by ADVANCED Equipment and Services to the Purchaser is open for acceptance within the period stated in the offer documents or, if no such period is stated, no more than thirty (30) days from the offer date unless withdrawn by ADVANCED Equipment and Services prior to the end of such acceptance period.

2.2 All offers are based on information provided by the Purchaser and, therefore, ADVANCED Equipment and Services reserves the right to alter and/or adjust its offer, order confirmation or the agreed contract in the event the information provided by the Purchaser has been incorrect. An offer shall become a binding

contract after it has been first accepted by the Purchaser and then approved in writing by ADVANCED Equipment and Services.

### **3. PRODUCT INFORMATION**

3.1 Information contained in product brochures, price lists or any other materials shall be binding if they are expressly agreed on in the contract.

### **4. DRAWINGS AND DESCRIPTIONS**

4.1 All rights relating to any drawings, technical or other documents issued to the Purchaser prior or subsequent to the completion of the contract by ADVANCED Equipment and Services shall remain the sole property of ADVANCED Equipment and Services.

4.2 Drawings, technical documents or other information relating to the Product from ADVANCED Equipment and Services shall not, without ADVANCED Equipment and Services's written consent, be used for any purposes other than erection, commissioning, operation or maintenance of the Product. They may not be copied, published or utilized in any way benefiting any third party to whom the Product is not delivered.

4.3 During the warranty period upon Purchaser's request, ADVANCED Equipment and Services shall provide a sufficient number of copies of drawings and information which are necessary for the Purchaser to erect, commission, operate and maintain the Product. ADVANCED Equipment and Services shall not supply manufacturing drawings for the Product or spare parts.

4.4 ADVANCED Equipment and Services's intellectual property rights shall remain the sole property of ADVANCED Equipment and Services.

### **5. TIME FOR DELIVERY AND CHANGES**

5.1 If the parties have agreed on a specified period of time, rather than a specific date, within which the delivery shall take place, such period shall commence on the

later of either (i) the date when ADVANCED Equipment and Services has received the Purchaser's acceptance of the offer and has sent an order confirmation to the Purchaser, or (ii) the date when the contract is signed by the parties.

5.2 If, pursuant to the Purchaser's written request, any change is made to the Product, the agreed purchase price and/or the time for completion of the contract shall be appropriately adjusted to the extent required by any such change. All changes must be agreed in writing.

## **6. DELIVERY AND PASSING OF RISK**

6.1 Any trade condition agreed upon in the contract shall be in accordance with Incoterms in force at the formation of the contract.

6.2 Unless otherwise agreed in the contract, the delivery shall be Ex works (EXW) at ADVANCED Equipment and Services's premises without packing costs.

6.3 Unless otherwise agreed, partial shipments will be allowed.

6.4 ADVANCED Equipment and Services has the right to use subcontractors to fulfill its obligations.

6.5 Risk of loss and damage to the Product shall transfer to the Purchaser in accordance with obligations set forth by the agreed trade condition of Incoterms in force at the formation of the contract.

6.6 ADVANCED Equipment and Services has the right to take out insurance for the Product during the consignment and storage thereof.

## **7. PAYMENT**

7.1 Unless otherwise agreed, the purchase price shall be paid within thirty (30) days from the date of an invoice as follows:

a) thirty (40%) per cent of the purchase price when the purchase has become binding to both parties;

b) sixty (50%) per cent of the purchase price when ADVANCED Equipment and Services notifies the Purchaser that the Product or an essential part of the Product is ready for delivery; and

c) ten (10%) per cent of the purchase price when the performance test has been completed and accepted by the Purchaser.

7.2 Regardless of means of payment used, any payment shall not be regarded as having been rendered until ADVANCED Equipment and Services's account has been fully and irrevocably credited.

7.3 If the Purchaser fails to pay or take any other action according to the agreed payment terms, ADVANCED Equipment and Services shall be entitled to interest on non-fulfillment of such terms at a rate of sixteen (16%) per cent per annum.

7.4 If any payment obligation under the contract is not fulfilled, ADVANCED Equipment and Services has the right, upon written notification to the Purchaser, to suspend its performance of the delivery until such payment obligation is fulfilled by the Purchaser.

7.5 If the Purchaser has not paid the outstanding amount or fulfilled any other payment obligations within three (3) months from the due date, ADVANCED Equipment and Services has the right to cancel the contract in whole or in part by written notice to the Purchaser and to claim compensation for any losses incurred thereby. The compensation of losses shall not exceed the agreed aggregate purchase price of the Product.

7.6 The Purchaser shall compensate ADVANCED Equipment and Services for all extra expenses incurred to extend or change any bank guarantees, letters of credit (L/C) or other means of documentary credits due to the Purchaser's failure to fulfill its obligations.

## **8. RETENTION OF TITLE**

8.1 The Product shall remain the property of ADVANCED Equipment and Services until paid in full. Prior to final payment, the Purchaser shall not be entitled to assign possession or ownership of the Product to a third party and the Purchaser shall keep the Product as a movable property from a real estate for repossession by ADVANCED Equipment and Services.

8.2 Upon ADVANCED Equipment and Services's request, the Purchaser shall be obligated to assist ADVANCED Equipment and Services in taking any measures necessary for protection of ADVANCED Equipment and Services's title to the Product.

8.3 The retention of title shall not affect passage of the risk of loss and damage.

## **9. ACCEPTANCE TESTS PRIOR TO DELIVERY**

9.1 Unless otherwise agreed, the acceptance tests prior to delivery shall be performed at ADVANCED Equipment and Services's premises during normal working hours. If the contract does not stipulate technical requirements or other relevant actions, the tests shall be performed according to ADVANCED Equipment and Services's general practice.

9.2 ADVANCED Equipment and Services shall provide advance notice to the Purchaser so that the Purchaser may choose to be present during acceptance tests. If the Purchaser is not present, a test report shall be delivered to the Purchaser.

9.3 If the acceptance tests indicate that the Product is not in accordance with the contract, ADVANCED Equipment and Services shall remedy any such deficiencies within reasonable time in order to ensure that the Product fulfills the terms of the contract. Upon Purchaser's request, new tests shall be performed unless the deficiency was insignificant.

9.4 Unless otherwise agreed, ADVANCED Equipment and Services shall be responsible for expenses of dry mechanical tests performed at its premises. The

Purchaser shall be responsible for expenses of having its representatives present during acceptance tests and expenses of any other tests required by the contract.

## **10. TAKING OVER, PERFORMANCE AND OTHER TESTS**

10.1 The taking over, performance tests and any other tests at the premises of the Purchaser shall, unless otherwise agreed, be performed at an agreed location during normal working hours by the dates originally agreed in the contract. If the contract does not stipulate technical requirements or other relevant actions, these tests shall be performed according to ADVANCED Equipment and Services's general practice. The Purchaser shall provide advance notice to ADVANCED Equipment and Services according to the proceedings described in a possible annex to the contract, if applicable.

10.2 ADVANCED Equipment and Services shall provide advance written notice to the Purchaser so that the Purchaser may choose to be present during these agreed tests. If the Purchaser is not present, a test report shall be delivered to the Purchaser. If the Purchaser is responsible for the delay of the tests and the delay lasts more than two (2) months from the written notification date, the tests are regarded as having been completed and accepted by the Purchaser and the Purchaser is obligated to sign the required acceptance documents.

10.3 If the acceptance tests indicate that the Product is not in accordance with the contract, ADVANCED Equipment and Services shall remedy any such deficiencies within reasonable time in order to ensure that the Product fulfills the terms of the contract. Upon Purchaser's request, new tests shall be performed unless the deficiency was insignificant.

10.4 Unless otherwise agreed, the Purchaser shall be responsible for expenses of all tests, and ADVANCED Equipment and Services shall be responsible for expenses of having its representatives present during the tests.

10.5 The representatives of the parties shall be authorised to perform and accept the tests and to sign all related documents including the acceptance documents. Upon completion of the tests, the representatives of the parties shall be obligated immediately to either accept or reject the tests and state all reasons for rejection in writing.

## **11. ERECTION**

11.1 If the Product will be delivered to the Purchaser in disassembled form, ADVANCED Equipment and Services and the Purchaser may separately agree on reassembly and erection of the Product by ADVANCED Equipment and Services at the premises of the Purchaser, in which case ADVANCED Equipment and Services and the Purchaser shall separately agree on a schedule for the erection and the commissioning of the Product.

11.2 If the erection of the Product is included in the contract, the premises in which the erection is to be conducted shall be placed at the disposal of ADVANCED Equipment and Services within a reasonable period of time prior to erection. All building works, foundations, floors etc. must be completely finished; windows and doors fitted; installation of water, compressed air and electricity for lighting and power completed; and the approach made passable so that erection can be commenced without delay and completed without interruption. During the erection, a dry shed or room with a lock and key shall be placed at the disposal of ADVANCED Equipment and Services personnel for storage of tools and small engine parts on or near the erection place. The Purchaser shall arrange adequate lighting and, if necessary, heating or cooling of the premises.

11.3 The Purchaser shall provide advance notice regarding its readiness of the erection and other duties to be performed by ADVANCED Equipment and Services according to the proceedings described in a possible annex to the contract, if applicable.

11.4 The Purchaser shall, at its own cost, provide and organise scaffolds and lifting, if required, and to place at the disposal of ADVANCED Equipment and Services all necessary labour to assist in the erection. The Purchaser shall direct and insure any such labour placed at the disposal of ADVANCED Equipment and Services and be liable for any damages caused by such persons. All expenses for lighting, power, oil, lubricant, fuel, materials etc. used for assembly, erection and testing of the Product are to be paid by the Purchaser. In the event that the erection is interrupted or if the Product cannot be commissioned immediately after completion of the erection due to circumstances for which ADVANCED Equipment and Services is not solely responsible, the Purchaser shall pay any extra costs thereby incurred.

11.5 No work shall be performed in unhealthy or dangerous surroundings.

## **12. ENGINEERING SERVICES**

12.1 If the contract stipulates separate engineering services from ADVANCED Equipment and Services, ADVANCED Equipment and Services shall provide the services according to its general practice. The Purchaser shall provide advance notice to ADVANCED Equipment and Services according to the proceedings described in a possible annex to the contract, if applicable.

12.2 The Purchaser agrees to provide and direct all necessary personnel, at its own costs, to assist the ADVANCED Equipment and Services expert(s) therewith. ADVANCED Equipment and Services shall not be liable for any damages caused by actions or omissions by the Purchaser's personnel.

## **13. SAFETY REGULATIONS**

13.1 The Purchaser shall notify ADVANCED Equipment and Services in full of any and all safety regulations imposed on its own employees and ADVANCED Equipment and Services employee(s) shall comply with the safety regulations.



13.2 The Purchaser shall inform ADVANCED Equipment and Services and the ADVANCED Equipment and Services employee(s) in writing of any violation to the safety regulations, and may, upon written warnings, prohibit repeat offenders entry to the site.

#### **14. DELAY**

14.1 If the Purchaser anticipates any delay in accepting delivery of the Product by the agreed delivery time, it shall immediately notify ADVANCED Equipment and Services thereof in writing. Such written notification shall include reasons of delay and, when possible, a future date when the Purchaser can accept delivery.

14.2 If the Purchaser fails to accept delivery by the agreed delivery time, it shall nevertheless fulfill all original payment obligations liable upon delivery as if the delivery had been performed. The Purchaser shall also pay all extra expenses in connection with its delay. ADVANCED Equipment and Services shall arrange storage of the Product at the risk and expense of the Purchaser. Upon Purchaser's request, ADVANCED Equipment and Services shall also insure the Product at the Purchaser's expense.

14.3 Unless the Purchaser fails to accept delivery for reasons mentioned in Article FORCE MAJEURE, ADVANCED Equipment and Services may, by written notice, require the Purchaser to accept delivery by a final reasonable date. If the Purchaser fails to accept delivery by such date of notification for reason which ADVANCED Equipment and Services is not responsible, ADVANCED Equipment and Services has the right to cancel the contract in whole or in part. ADVANCED Equipment and Services shall inform the Purchaser in writing of any such cancellation. ADVANCED Equipment and Services shall also be entitled to compensation for all losses, incurred due to the Purchaser's default. The compensation shall not exceed the agreed aggregate purchase price.

14.4 If ADVANCED Equipment and Services anticipates any delay in delivering the Product by the agreed delivery time, it shall without delay notify the Purchaser

thereof in writing. Such notification shall include reasons of delay and, when possible, a future date when the delivery can take place.

14.5 Unless ADVANCED Equipment and Services's delay is caused by reasons mentioned in Article FORCE MAJEURE, ADVANCED Equipment and Services shall be obligated to pay liquidated damages as determined below from the date when the delay commences.

14.6 ADVANCED Equipment and Services shall pay the Purchaser liquidated damages at a rate of 0,5 per cent of the agreed purchase price for each complete week of delay. The total amount of liquidated damages shall not exceed 7,5 per cent of the agreed aggregate purchase price.

14.7 If the delay is limited to a portion of the Product, the liquidated damages shall be determined by the purchase price of such delayed portion only.

14.8 Liquidated damages, if any, shall be due and payable upon Purchaser's written demand after completion of delivery or cancellation of the contract.

14.9 The Purchaser shall waive its right to claim any liquidated damages if it fails to submit written demand within thirty (30) days after the date when the delivery should have taken place.

14.10 When liquidated damages, if entitled, has reached its maximum limit due to length of delay and ADVANCED Equipment and Services is still unable to deliver the Product, the Purchaser shall have the right to demand in writing that delivery be completed within a final reasonable period.

14.11 If ADVANCED Equipment and Services fails to deliver the Product within the final reasonable period after receipt of written demand for reasons which the Purchaser is not responsible or for reasons other than those determined in Article FORCE MAJEURE, the Purchaser shall be entitled to cancel the contract relating to the portion of the Product which cannot be used, due to ADVANCED Equipment and Services's default, for the purposes intended by the parties. Upon cancellation,

ADVANCED Equipment and Services shall collect the cancelled portion of the delivered Product, if any, from the Purchaser and return any payment, if received, for the undelivered portion of the Product.

14.12 The liquidated damages are the only possible remedies to which the Purchaser will be entitled in case of delay caused by ADVANCED Equipment and Services.

### **15. LIABILITY FOR DEFECTS**

15.1 ADVANCED Equipment and Services shall, during the warranty period, remedy any defect resulting from faulty design, materials or workmanship. ADVANCED Equipment and Services's warranty period is limited to defects which appear within a period of twelve (12) months from the acceptance of taking over tests or eighteen (18) months from the date when the Product is ready for delivery at ADVANCED Equipment and Services's premises, whichever expires first. Prior to any utilization of the Product, the Purchaser shall be obligated to mechanically inspect and accept the installation and operation of the Product. The commencement of utilization of the Product in production shall be deemed as the Purchaser's acceptance of the mechanical, performance and other taking over tests, and the Purchaser's acknowledgement that the Purchaser is responsible, at its own cost and risk, for the maintenance, operation and other possible duties in connection with the utilization of the Product. The warranty does not cover such consumable parts including, but not limited to, cartridges filters, membranes, hoses, seals, pump seals etc. unless such consumable parts were defective upon delivery, in which case the warranty shall only cover ADVANCED Equipment and Services's obligation to redeliver such consumable parts free from defects. Normal wear and tear of the Product and defects arising from chemical and/or abrasive actions shall be excluded from the warranty.

15.2 When ADVANCED Equipment and Services has remedied a defect, the warranty period for the repaired or replaced part shall be twelve (12) months from

the date of remedy under the same terms and conditions as originally agreed in the contract. For other parts of the Product, the warranty period shall be extended by the actual period of time if the Product has been out of operation due to the defect for more than two (2) weeks.

15.3 The Purchaser shall immediately notify ADVANCED Equipment and Services of any defect. Such notification shall be made within two (2) weeks after appearance of the defect, and in all cases no later than two (2) weeks after expiry of the warranty period. If the defect is of a nature that it may cause damages, the written notice shall be given immediately. The Purchaser shall waive its right to have any defect remedied if it fails to notify ADVANCED Equipment and Services within the time limitation.

15.4 The Purchaser shall describe the defect in the notice.

15.5 Upon receipt of the defect notice, ADVANCED Equipment and Services shall without undue delay, at its option, either repair the defect at its own cost or supply the Purchaser with replacement parts free of charge CIP Product destination according to Incoterms in force at the formation of the contract.

15.6 The repair shall be performed by ADVANCED Equipment and Services or its subcontractor or, as agreed, by the Purchaser. ADVANCED Equipment and Services shall repair the defect in the place where the Product is situated unless ADVANCED Equipment and Services decides to repair the defective part in its own premises. ADVANCED Equipment and Services or its subcontractor shall dismantle and reinstall the Product or a portion of it if the repair needs special knowledge. If such special knowledge is not required, ADVANCED Equipment and Services has fulfilled its obligations concerning the defect when the Purchaser receives the repaired or replaced part.

15.7 When ADVANCED Equipment and Services receives a notice concerning a defect and it is subsequently determined that ADVANCED Equipment and Services is not responsible for such defect or there is no defect, the Purchaser shall be

obligated to compensate ADVANCED Equipment and Services for any expenses incurred as a result of the notice.

15.8 To the extent needed for the remedy of a defect, any dismantling and reinstallation of equipment other than the Product shall be at the Purchaser's own expense.

15.9 ADVANCED Equipment and Services shall, at its own risk and cost, be responsible for any necessary transportation of the Product to remedy a defect as agreed by the parties. Such transportation shall be arranged under ADVANCED Equipment and Services's instructions.

15.10 The Purchaser shall be responsible for any additional expenses incurred by ADVANCED Equipment and Services to repair, dismantle, install, forward and transport the Product located at a place other than the destination agreed in the contract or, if no destination is agreed, the place of delivery.

15.11 The defective parts which have been replaced are the property of ADVANCED Equipment and Services and shall be delivered, if required, to ADVANCED Equipment and Services by the Purchaser.

15.12 If ADVANCED Equipment and Services fails, for reasons other than those mentioned in Article Force Majeure, to repair or replace a defect within three (3) months after receipt of defect notice, the Purchaser may by itself or employ a third party to remedy such defect at the reasonable expense of ADVANCED Equipment and Services limited to the total purchase value of the delivery.

15.13 If the Purchaser or a third party carries out the successful remedy, reimbursement of reasonable expenses by ADVANCED Equipment and Services shall be the total and final settlement of any such remedy.

15.14 If the defect has not been successfully remedied within seven (7) months after receipt of defect notice:

- a) the Purchaser is entitled by written notice to a reduction of the purchase price in proportion to the reduced value of the Product provided that, under no circumstance, shall such reduction exceed ten (10%) per cent of the purchase price; or
- b) the Purchaser is entitled to cancel the contract by written notice to ADVANCED Equipment and Services if the defect is so significant that the Product cannot be used for the intended purpose, in which event the parties shall return the implemented performances to the other party. Further claims are waived.
- c) The written notice must be submitted to ADVANCED Equipment and Services within eight (8) months after receipt of defect notice.

15.15 ADVANCED Equipment and Services shall not be responsible for any defects resulting from materials supplied by or design stipulated to or determined by the Purchaser.

15.16 ADVANCED Equipment and Services shall not be liable for defects if:

- a) the erection or the commissioning of the Product has not been performed according to the instructions or supervisions by ADVANCED Equipment and Services;
- b) the Product has not been used, maintained, erected and repaired fully in accordance with the operating, maintenance and repair instructions provided by ADVANCED Equipment and Services, or if the Purchaser has carried out alterations to the Product without the prior written consent of ADVANCED Equipment and Services;
- c) the defects result from normal tear, wear or deterioration or if the defects are due to corrosion caused by normal process operation; or

d) the defects result from the process where the Product has been used in chemical or abrasive action, or in other circumstances which the Product has not been intended for.

15.17 ADVANCED Equipment and Services shall not be liable for defects under any circumstances in any part of the Product two (2) years after the date of acceptance of the taking over tests.

## **16. RESPONSIBILITY**

16.1 ADVANCED Equipment and Services does not accept any obligations or responsibilities nor does it offer any guarantee other than those expressly agreed, not even in relation to third party's claims.

16.2 ADVANCED Equipment and Services shall not be responsible for any damage to property or persons caused by the Product while it is in use by the Purchaser. ADVANCED Equipment and Services shall not be responsible for any damage to products manufactured by the Purchaser or to products of which the Purchaser's products form a part.

16.3 If a third party claims any damage against one of the parties of the contract, this party shall immediately notify all remaining parties of the contract in writing.

16.4 The parties shall mutually agree to be involved in any litigation or arbitration examining claims for damages and other relief against one of the parties for product liability claims or other claims of similar kind.

16.5 the Purchaser shall indemnify, defend and hold harmless ADVANCED Equipment and Services from and against any third party claims for damages incurred under circumstances controlled by the purchaser.

16.6 ADVANCED Equipment and Services shall not be liable for indirect, incidental, consequential, special or punitive damages including, but not limited to, loss of production or loss of profit.

16.7 the maximum limit of ADVANCED Equipment and Services's liability for damages and losses of any sort and for whatever reason, resulting from or in any circumstance connected with the use and delivery of the Product, parts or services supplied by ADVANCED Equipment and Services, shall be in the form of a credit applied to the amount of the total sum of each separate delivery.

16.8 regardless of any other provisions of the general terms and conditions stated herein, the limitation of liabilities shall not apply to any breach of party if the party has been guilty of intent or gross negligence.

## **17. FORCE MAJEURE**

17.1 Each party has the right to suspend performance of its obligations under the contract to the extent that such performance is impeded, made unreasonable onerous or impossible by circumstances beyond its control including, but not limited to, industrial disputes, governmental, Central Bank, legislative or other relevant activities or restraints, fire, earthquake, flood and other disasters, war (whether declared or not), extensive military mobilization, insurrection, requisition, seizure, embargo, strikes, shortage of transport, general shortage of materials, restrictions in use of power, defects or delays in deliveries by subcontractors caused by similar circumstances as described in this Article (Force Majeure).

17.2 The party experiencing difficulties due to Force Majeure shall immediately notify the other party in writing of such occurrence and its cessation.

17.3 If Force Majeure prohibits the Purchaser from fulfilling its obligation, it shall compensate ADVANCED Equipment and Services for, if any, extra direct expenses relating to the delivery including, but not limited to, transportation, storage and insurance costs.

17.4 Notwithstanding what may have been otherwise specified in the General Terms and Conditions stated herein, each party has the right to cancel the contract



with written notice to the other party if performance under the contract has been suspended due to Force Majeure for more than nine (9) months.

## **18. THE SPECIAL CONDITIONS FOR THE SOFTWARE**

18.1 Unless otherwise agreed, the computer programs (hereinafter referred to collectively as the "Software") are delivered under the following special usage licence conditions, which supersede all conflicting terms and conditions of the General Terms and Conditions.

18.2 ADVANCED Equipment and Services grants the Purchaser a strict personal non-exclusive non-transferable usage license to use the Software and its accompanying documentation for the Product delivered in accordance with the General Terms and Conditions.

18.3 The Purchaser may not without prior written consent of ADVANCED Equipment and Services:

- a) copy the Software and its accompanying documentation;
- b) distribute, rent, loan, sell, sublicense or otherwise assign all or part of the Software and its accompanying documentation or any rights granted hereunder or later to any third person; and
- c) modify, translate, adapt or arrange the Software and its accompanying documentation, or create derivative works based on the Software and its accompanying documentation.

18.4 During the warranty period, ADVANCED Equipment and Services warrants that the Software mainly provides services and functions generally described in the technical documentation and that the Software is free from defects in materials and workmanship under normal use. ADVANCED Equipment and Services's only obligation shall be, at its option, to correct errors or to replace the defective Software. The warranty period for the Software is the same as the warranty period

for such part of the Product for which the Software is meant to be used and delivered under the General Terms and Conditions. During the warranty period, the Purchaser shall meticulously maintain all data media including backups and accompanying documentation, whose original copyright belongs to other software producers, undamaged and fully available to ADVANCED Equipment and Services. This warranty for the Software shall be void if ADVANCED Equipment and Services cannot access all available backups and accompanying documentation in order to fulfill its warranty obligations.

18.5 The Software shall only be used in one computer and in one operating system at a time for control systems delivered by ADVANCED Equipment and Services under the General Terms and Conditions.

18.6 The Purchaser acknowledges that the Software may contain components that are owned by other software producers incorporated into or embedded in the Software pursuant to license arrangements between ADVANCED Equipment and Services and other software producers. The Purchaser shall strictly follow these special usage licence conditions and shall not use the Software in any fashion or purposes other than those agreed herein.

18.7 The Purchaser only receives this strict personal non-exclusive non-transferable usage license for the Software along with accompanying documentation including applicable modifications and copies. All other rights including copyright remain property of ADVANCED Equipment and Services or other software producers, to whom the original rights belong.

## **19. ANTICIPATED NON-PERFORMANCE**

19.1 Regardless of other provisions in the General Terms and Conditions pertaining to delay, each party has the right to suspend performance of its obligations under the contract if it can be clearly demonstrated that the other party will not be able to fulfill its obligations. A party suspending its performance under the contract for this purpose shall immediately notify the other party in writing. Such

written notification shall include intended actions to be taken and reasons of actions.

## **20. LOCAL LAWS AND REGULATIONS**

20.1 The Purchaser shall, at the request of ADVANCED Equipment and Services and to the best of its ability, assist ADVANCED Equipment and Services to obtain all necessary information concerning local laws and regulations applicable to the contract.

20.2 If, by reason of any changes in local laws and regulations occurring after the date of the contract, the cost of delivery is increased, the amount of such increase shall be added to the purchase price.

## **21. DISPUTES AND APPLICABLE LAW**

21.1 Any dispute, controversy or claim arising out of or relating to or in connection with any offer or order confirmation made by ADVANCED Equipment and Services or the resulting contract entered into between ADVANCED Equipment and Services and the Purchaser shall be finally settled under the Rules of Arbitration of the Chamber of Commerce in Houston, Texas, USA by one or more arbitrators appointed in accordance with the said rules.

21.2 The arbitration shall take place in Houston, Texas. The language of the arbitration proceedings shall be English.

21.3 Any offer, the General Terms and Conditions, order confirmation and resulting contract shall be governed by and construed in accordance with the laws of USA.

21.4 Notwithstanding the foregoing, ADVANCED Equipment and Services shall, at its discretion, have the right to initiate legal proceedings against the Purchaser in any competent Court of Law in accordance with the local laws to collect any past due debt or to obtain injunctive relief.

## **22. CONFIDENTIAL INFORMATION**

22.1 The parties agree to treat secret and confidential the contract and any and all information obtained from the other party in connection with the contract and to not disclose any such information without the written consent from the other party unless necessary for the implementation of the contract.

### **23. INVALIDITY AND TOLERATION**

23.1 If any provision of the contract is declared to be invalid, such declaration will not affect the validity of the remainder terms of the contract.

23.2 If one party decides to tolerate behaviour by the other party which is in violation of the terms of the contract, this does not mean that the former waives its contractual rights.

24. headings

**24.1 The headings of the contract are for convenience of reference only and shall not in any way limit or affect the meaning or interpretation of the provisions of the contract.**

### **25. INTEGRATION OF CONTRACT**

25.1 By conclusion of the contract, the Purchaser acknowledges and accepts that:

- a) it has not relied on any previous written, oral or implied representation, inducement or understanding of any kind or nature;
- b) the written quotation, including the General Terms and Conditions stated herein, any drawings and other annexes incorporated in the contract by reference, embodies the entire contract between the parties with respect to the subject matter hereof; and
- c) the contract entered into by the parties may not be amended except in writing and signed by the duly authorized representatives of all parties.

The End.