

Annex I

General Terms & Conditions for the performance of sales & services of RAGSOL GmbH (“GTC RAGSOL”)

April 2019

I. Definitions

- a) RAGSOL: RAGSOL GmbH.
- b) Customer: Contract partner that awards contracts to RAGSOL related to Technology Sales & Services goods and/or services
- c) Party: RAGSOL and/or Customer
- d) Quotation: Quotation submitted by RAGSOL to Customer on the basis of Customer’s request, including all annexes.
- e) Contract: The accepted Quotation, including all annexes, in particular these Terms & Conditions, as well as the relevant product sheets (as amended by RAGSOL’s order confirmation, if applicable).
- f) Scheduling Appointment: Non-binding agreement between RAGSOL and Customer on the anticipated time of delivery (may take the form of e-mails exchanged between employees of the companies involved). Depends, among other things, on the information made available by Customer.

2. Area of Application

These Terms & Conditions shall apply to all legal relationships between Customer and RAGSOL in the context of the provision of goods and/or services ordered by Customer from RAGSOL. Customer’s terms & conditions shall not become an integral part of the contract. Where Customer refers to own terms & conditions in the context of a purchase order, we explicitly reject and object to such terms & conditions.

3. Conclusion of Contract

3.1. Request, Purchase Order, Conclusion of Contract, Amendments of Contract

- 3.1.1. Unless explicitly stated otherwise, RAGSOL Quotations shall be binding for 30 days from the date of the Quotation. Within such period, Customer can accept the Quotation by means of a written and legally effective acceptance notice, which brings about the Contract, including as integral parts the Quotation and these Terms & Conditions. Counter-offers or notices which deviate from the provisions set out in the Quotation shall result in conclusion of contract only if RAGSOL submits to Customer an explicit order confirmation in writing which details the amended contents. There are no other side agreements.
- 3.1.2. Any amendment or supplement to the Contract shall require RAGSOL’s approval and shall be made in writing; the written form requirement can be waived only in writing.

3.2. Reservation as to Fulfillment of Contract

- 3.2.1. RAGSOL's Quotation is based on the assumption that the conditions prevalent at Customer's lie within the scope defined by the technical specification for the RAGSOL products requested in each case (see relevant product sheet). Customer shall confirm such assumption (if applicable, after the Quotation has been submitted) by returning a checklist made available to Customer by RAGSOL in due time. If the actual conditions at Customer's are outside the scope of the technical specifications as set out in the relevant product sheet, RAGSOL may refuse to honour the order and withdraw from the Contract while billing any services already provided, or submit to Customer (if technically feasible) a Quotation that has been adjusted accordingly.
- 3.2.2. Fulfillment of the Contract on the part of RAGSOL shall be subject to the condition that no obstacles arising out of Austrian, US and other applicable national, EU or international foreign trade law provisions exist and no other sanctions which would forbid fulfillment (even if only in part) apply ("**Sanctions**").
- 3.2.3. Customer undertakes to supply all information and documents needed for service delivery, export, transport, and import.

4. Scope

4.1. To be Provided by RAGSOL

- 4.1.1. The scope of work and services to be provided by RAGSOL include the services explicitly agreed upon in the Contract. Any services outside this scope shall require a separate agreement.
- 4.1.2. The RAGSOL services offered in the Quotation or agreed in the Contract are based on the information made available by Customer. Changes in scope, in particular if resulting from deviations from the information supplied by Customer, shall be at Customer's expense and shall require an amendment of Contract by mutual consent as set out in 3.1.2.
- 4.1.3. Any notices, approvals, licences and similar which might be needed for commissioning shall be submitted to or obtained from the competent authorities and/or inspection bodies by Customer in due time and at its own expense.
- 4.1.4. Any changes in scope that are reasonably acceptable to Customer, are objectively justified and do not adversely affect the product's intended use shall be deemed approved in advance. The same shall apply to changes caused by statutory provisions, changes in technical norms and standards or commercial practice.

4.2. Documentation

Unless otherwise agreed upon, RAGSOL shall make available to Customer the product-specific instructions (such as operating and maintenance instructions) and – if applicable – mechanical manuals and software manuals. Introductory training is not within the scope, but can be requested separately (see 4.5).

4.3. Assembly

- 4.3.1. Unless otherwise agreed upon, assembly and commissioning of the delivered products are out of scope, but can be requested separately.
- 4.3.2. If RAGSOL carries out assembly and/or commissioning, Customer shall meet all obligations as set out in Clause 5 at its own expense and provide all work and services in time.
- 4.3.3. Prior to assembly, the objects to be provided by Customer must be present at the assembly site and any necessary preparatory work has to be completed to such an extent that assembly work can start as set out in the Contract and be carried out without interruption (see Clause 5.2).
- 4.3.4. Where assembly or commissioning is delayed due to reasons not attributable to RAGSOL, Customer shall bear the cost of idle times and any additionally required travel by assembly staff. Where delays are anticipated to come to more than 5 days, Customer shall bear the cost for the assembly staff's travel home and back to the assembly site.
- 4.3.5. Customer shall confirm to RAGSOL – at least weekly, but at RAGSOL's request also daily – the work and services provided as well as completion of assembly and/or commissioning without delay. RAGSOL shall inform Customer in time of the expected completion date for assembly work. Work and services shall generally be accepted without delay, with a written acceptance report being drawn up. If Customer fails to accept the work or service within 14 days of notice of completion and/or delivery and if no defects standing in the way of acceptance are reported during this time, the work or services shall be deemed recognised as being in conformity with the Contract and accepted. Where – subject to a reasonable testing period of not more than 14 days – the supplied products are being put to use, this shall be equivalent to acceptance by Customer.
- 4.3.6. Customer has no authority to give directives to RAGSOL personnel without prior permission from RAGSOL line management. This does not include HSE directives.
- 4.3.7. If Customer intends to have assembly carried out by a party other than RAGSOL, Customer shall see to it that assembly is carried out by sufficiently qualified personnel and in conformity with the product-specific installation and other manuals. Any disadvantages resulting from a breach of this obligation shall be borne exclusively by Customer (Clause 8.2.3 applies mutatis mutandis).

4.4. Maintenance

- 4.4.1. The products supplied by RAGSOL must be maintained in conformity with the product-specific maintenance instructions. Maintenance shall be provided either by RAGSOL personnel or service partners, by Customer personnel having been trained by RAGSOL, or by personnel having the required qualifications as set out in the maintenance instructions.
- 4.4.2. Unless otherwise agreed upon, maintenance of the delivered products is outside the scope of the Contract. A quotation for ongoing maintenance for the delivered products by RAGSOL personnel may be requested at any time.
- 4.4.3. The rules on Customer obligations as set out in Clause 4.3 apply mutatis mutandis.

4.4.4. The maintenance intervals set out in the product-specific maintenance instructions must be complied with exactly. If maintenance is not carried out at all, in time or by personnel or companies as set out in Clause 4.4.1, RAGSOL shall accept no further liability and/or warranty for the products concerned from the first time maintenance is not carried out at all or not carried out in accordance with the Contract.

4.5. Training

4.5.1. Unless otherwise agreed upon, introductory training for the delivered products/components, for instance for the purpose of commissioning/use/maintenance, and/or for the documents and/or materials supplied is out of scope, but can be requested separately.

4.5.2. Unless otherwise stated in the Contract, RAGSOL can provide training services to Customer. Those training services can be agreed upon by the parties and shall be invoiced according to the respective contract or according to the current RAGSOL price list.

4.5.3. RAGSOL shall retain all right, title and interest in and to any materials, deliverables, modifications, derivative works or developments related to any training and support services RAGSOL provides. Any training and support materials provided to Customer may be used only in connection with RAGSOL products and/or services.

4.5.4. If applicable, Customer will reimburse RAGSOL for reasonable expenses for travel, accommodation and daily allowances.

4.5.5. RAGSOL offers Training via a range of methods including E-Mail, face to face and telephone sessions. Customer should contact RAGSOL to arrange mutually agreeable methods, dates and times.

4.5.6. In case a training is performed at RAGSOL premises, the Health, Safety & Environment (“HSE”) provisions in clause 13 shall apply mutatis mutandis.

4.6. Remote Maintenance for Software Calibration

4.6.1. Certain RAGSOL products (see product sheets) offer optional remote maintenance of the software embedded in the product. Remote maintenance for software calibration is generally out of scope, but can be requested separately for the respective products at any time.

4.6.2. The technical requirements for remote software maintenance are stated in the product sheets. Remote maintenance under Clause 4.6.1 shall not replace the necessary maintenance as set out in Clause 4.4.

4.7. Documentation and Embedded Software

4.7.1. Copyrights to software and/or firmware embedded in the products or made available to allow the products to be used (“**Software**”) as well as documentation supplied alongside the products and/or software (“**Documentation**”) shall remain with RAGSOL (and/or its affiliates or third parties which supplied the Software and/or Documentation) and shall not be transferred to Customer.

- 4.7.2. Unless otherwise agreed upon, Customer shall receive the non-exclusive, free-of-charge right to use the Software and the Documentation in connection with the products in unmodified form if and insofar as the Software and the Documentation are treated as strictly confidential and are not reproduced (unless to the extent explicitly allowed under applicable law and/or required for maintenance provided by third parties). Customer may transfer the above licence to third parties only upon selling the relevant products, provided such third parties recognise and confirm the obligations set out in this Clause 4.7. Any use for other purposes shall be prohibited. In the event of a breach of these provisions, RAGSOL has the right to revoke the rights of use granted with immediate effect.
- 4.7.3. RAGSOL (and/or its affiliates or third parties which supplied the Software and/or Documentation) shall retain ownership in all inventions, developments, improvements, plans, procedures, etc. created by them, and – unless otherwise agreed upon – Customer shall be granted no property rights beyond the ones set out in Clause 4.7.2.
- 4.7.4. To the extent that the supplied components/devices contain third-party software, RAGSOL warrants that Customer can use such software in unmodified form on the supplied components/devices in the country of delivery within the scope of the agreed features. RAGSOL shall supply to Customer any licence terms or terms of use of the respective rights owner alongside the Quotation, and Customer undertakes to comply with the licence terms, failing which any resulting disadvantages shall be borne by Customer.
- 4.7.5. Any processing, further development, reverse engineering and/or transfer of the Software or its source code to third parties shall be prohibited. RAGSOL shall under no circumstances be liable towards third parties. Customer shall, upon first demand, indemnify and hold RAGSOL harmless with respect to any and all claims asserted in connection with a transfer of the Software or the source code to third parties.

4.8. Hourly Rates

Where RAGSOL, upon explicit Customer demand, deploys personnel outside the scope of the Contract, the hourly rates, plus surcharges, if any, as set out in the RAGSOL price list as amended from time to time, shall apply.

4.9. Travel Costs

Unless otherwise agreed upon, travel, board and lodging costs are not included in the prices set out in the Quotation and shall be charged at cost plus a processing surcharge of 15%. Economy class air travel as well as board and lodging at good local standard shall be deemed approved by Customer.

5. Customers Obligations

5.1. Information:

Customer shall make available to RAGSOL all the information required to prepare a Quotation and/or deliver the work or services. RAGSOL shall supply Customer with checklists for this purpose. Without prejudice to the foregoing, Customer shall pro-actively furnish RAGSOL with all the information which can reasonably be assumed to be necessary and/or conducive to RAGSOL preparing a Quotation and/or delivering the work or services. RAGSOL shall not be obliged to subject the information furnished by Customer to any separate review and may accept such information as they are provided.

5.2. Support to be Provided by Customer:

Unless otherwise agreed upon or irrelevant for the scope, Customer shall provide in particular the following support:

- a) Transport, loading, unloading, auxiliary personnel
- b) Travel arrangements if necessary (e.g.: accommodation, transportation), assistance in the obtaining of visas and/or work permits
- c) Sufficiently large, suitable, dry, secure and lockable rooms to store the delivered products and the tools and materials brought along by RAGSOL personnel
- d) Local transportation of goods, tools and personnel to the well site
- e) Construction site coordination with other contractors of Customer
- f) Appointment of a responsible person for the well site
- g) Provision of qualified mechanics, electricians and supporting staff
- h) Provision of operating personnel as from start of assembly/ commissioning
- i) The implements needed for assembly and commissioning, such as lifting equipment, transport equipment and other equipment and aids
- j) All extra work outside RAGSOL's specialist industry scope, including the necessary personnel, materials, aids and tools, if any
- k) Grounding of the system and a corresponding lightning protection system
- l) Provision of communication facilities if a mobile network is not available (minimum quality)
- m) Ensure easy access to the places and systems (incl. parts of it) where the services have to be performed;
- n) Installation at the well site by qualified staff in case RAGSOL personnel is not allowed to do so (e.g.: due to company restrictions, laws, safety procedures, etc.)
- o) Electrical power connection by qualified staff
- p) Power supply, including the respective outlets, heating, lighting, light, fuel, etc., as necessary
- q) Suitable data transmission facilities
- r) Special personal protective gear, insofar as required due to special circumstances at the assembly site, to applicable HSE conditions or applicable national provisions at the assembly site

- s) Adequate common rooms, including adequate sanitary facilities, and sufficiently large, suitable, dry, secure and lockable rooms for the assembly staff

6. Prices, Taxes, Terms of Payment

6.1. Prices, Taxes

- 6.1.1. All positions are quoted in EUR unless otherwise specified in the Quotation. Additional services and/or special services shall be charged separately.
- 6.1.2. Unless otherwise specified, all costs for delivery and shipment shall be borne by Customer, in particular costs related to packaging, transportation, insurance, customs duty, fees and other public charges for international deliveries.
- 6.1.3. Unless otherwise specified, the prices for tangible goods are subject to an annual adjustment in accordance with the average annual consumer price index (CPI) + 2% (plus two percentage points) published by Statistics Austria. The prices for services are subject to annual indexation in accordance with the result of the collective bargaining agreement negotiations of the oil and gas industry in Austria +2% (plus two percentage points).
- 6.1.4. Quoted prices do not include VAT, custom taxes and additional local taxes.
- 6.1.5. All payments to be made under this Contract shall be made free and clear of and without deduction for or on account of any (non-Austrian) taxes, levies, import or customs duties, charges, fees and withholdings of any nature now or hereafter imposed by any governmental, fiscal or other authority (together referred to as "**Taxes**"). If any such payment has to be made, Customer is obliged to declare and pay any such Taxes.
- 6.1.6. In case RAGSOL or an agent of RAGSOL pays or is obliged to pay any Taxes, Customer shall reimburse RAGSOL for the full amount.
- 6.1.7. Customer shall be responsible for its own corporate income taxes and taxes related to its employees' work hereunder.
- 6.1.8. If a different approach is provided for in an applicable double taxation treaty, such approach shall be used on RAGSOL's demand and shall take precedence over the provisions set out in this Clause 6.1.
- 6.1.9. Customer shall be responsible for paying any New Tax (or reimburse RAGSOL if such New Tax was paid by RAGSOL). "**New Tax**" means any tax enacted and effective after the date on which the Contract is entered into, or that portion of an existing tax which constitutes an effective increase in applicable rates, or an extension of any existing tax to the extent that it is levied on a new or different class of persons as a result of any law, order, rule, regulation, decree or concession or the interpretation thereof by the relevant taxing authority, enacted and effective after the date on which the Contract is entered into.

6.2. Invoices and Payment

- 6.2.1. Unless otherwise agreed upon, RAGSOL services shall be billed on a monthly basis or upon completion, if earlier. It shall be admissible to bill partial services.

- 6.2.2. Unless otherwise agreed upon, RAGSOL invoices shall be paid, through wire transfer, into the account indicated on the invoice, without any deductions, within a period of 30 days from the date of invoice.
- 6.2.3. Any invoice amount not paid when due shall be subject to a late payment charge equal to EURIBOR plus 8% p.a., prorated on a daily basis for each day that such amount remains unpaid. Any collection costs are to the account of Customer.
- 6.2.4. Offsetting RAGSOL receivables with counter-claims of any kind whatsoever shall be excluded, the same shall apply to any right of retention, unless such counter-claims are undisputed or have been ascertained with final legal effect.
- 6.2.5. RAGSOL shall be entitled to offset its own receivables against receivables of Customer.

7. Delivery

7.1. Place of Delivery and Performance, Transfer of Risk

- 7.1.1. Unless otherwise agreed upon, deliveries by RAGSOL shall be made under INCOTERMS 2010, FCA: Ried im Innkreis, RAGSOL warehouse. If Customer requires different terms of delivery, any extra cost incurred and/or delays shall be borne by Customer, unless such cost is already included in the Quotation. The transfer of benefit and risk shall be governed by the agreed Incoterms.
- 7.1.2. Should Customer request packaging and/or a specific type of packaging (if such standard can reasonably be provided by RAGSOL), Customer shall bear the corresponding costs.
- 7.1.3. The risk relating to the goods to be delivered shall pass to Customer also if Customer refuses and/or fails to take delivery of the goods under the agreed upon conditions.
- 7.1.4. Customer shall note down any and all damage suffered in transit on the shipping document and notify RAGSOL without delay, transmitting a copy of said shipping document.
- 7.1.5. RAGSOL shall have the right to partial delivery of goods and/or services unless there are objectively justified reasons preventing this.
- 7.1.6. Customer must not refuse taking delivery or accepting any assembly and/or commissioning work on account of immaterial defects and/or minor non-compliance with the agreed delivery date. Where Customer refuses to take delivery or where delivery is prevented and/or delayed for reasons attributable to Customer, the risk of accidental loss or damage shall pass to Customer.
- 7.1.7. Customer shall bear all costs and risks of storage after the transfer of risk or during delays caused by Customer.
- 7.1.8. Customer shall be solely responsible for the operation and/or commercial use of the ordered goods and services and RAGSOL shall have no further responsibility and/or liability in this regard.

7.2. Retention of Title:

- 7.2.1. Until all claims arising to RAGSOL vis-à-vis Customer out of the respective delivery (including cost of assembly, if any, and other ancillary claims) have been satisfied, RAGSOL shall retain title to the delivered goods. For as long as retention of title applies, Customer shall be prohibited from pledging, reselling or transferring such goods (including by way of security). Where enforcement measures or other third-party interventions occur, Customer shall object to such measures, notify RAGSOL immediately and furnish to RAGSOL all the information and/or documents needed to defend against such measures.
- 7.2.2. Reselling goods to which RAGSOL retains title shall be allowed only if such intent is notified to RAGSOL, stating the buyer's name and exact address, and if RAGSOL consents to such sale. If RAGSOL consents, the claim to the purchase price shall be deemed assigned to RAGSOL already at this time.
- 7.2.3. Until the consideration or purchase price has been paid in full, Customer shall note such assignment in its books and on its invoices and shall draw the respective debtors' attention to this fact. At RAGSOL's request, Customer shall make available all documents and information needed to assert the assigned claims and receivables.

7.3. Delivery Time

- 7.3.1. Deadlines for delivery shall not be triggered until all relevant information (including, without limitation, the information as set out in Clause 5) has been made available by Customer, Customer's legally binding acceptance of the Quotation has been received by RAGSOL, and the delivery time has been agreed in a Scheduling Appointment. The Scheduling Appointment shall be made in writing – e-mail satisfying the written form requirement – and becomes an integral part of the Contract. Delivery times shall not be binding unless a binding fixed term or date has been agreed in writing. Delivery times are subject to final clarification of all technical, organisational and contractual details and to the accuracy of the information provided by Customer.
- 7.3.2. In the case of delivery within the EU, minor delays in delivery of up to one week shall be deemed approved by Customer. In the case of delivery outside of the EU, delays in delivery of up to 4 weeks shall be deemed approved by Customer. Where delays in delivery exceed the time limits set out above, claims for damages, if any, shall be limited to 0.5% per week or part thereof, but capped at 5% of the order volume for the part of the delivery in respect of which RAGSOL is in delay. Any claim for damages for delay in excess of the above shall be excluded.
- 7.3.3. If, following placement of an order, the order is changed or amended for whatever reason, if delays occur due to acts or omissions on the part of Customer and/or due to prolonged customs proceedings or other circumstances for which RAGSOL is not at fault, the delivery time shall be extended by a reasonable period of time.
- 7.3.4. Where the start of performance or performance under the Contract is delayed or interrupted due to circumstances attributable to Customer, including, without

limitation, a breach of Customer's obligations to cooperate and assist as set out in Clause 5, the deadlines will be extended accordingly.

7.3.5. In cases of Force Majeure, Clause 11 shall apply.

8. Warranty

8.1. General Provisions

- 8.1.1. RAGSOL shall warrant only the quality contractually agreed upon in the Quotation/Contract or set out in the respective product sheets. RAGSOL shall only accept warranty for those defects that exist at handover/delivery.
- 8.1.2. Unless otherwise agreed upon or otherwise stated in the product sheet, a warranty period of 12 months from the date of performance shall apply. In the case of goods deliveries, a warranty period of 12 months from the date of commissioning, but no later than 18 months from delivery of the goods, as set out in Clause 7, shall apply.
- 8.1.3. Customers shall be obliged to check RAGSOL's delivery and give written notice of any defects to RAGSOL without delay, in any case no later than within 14 days, describing the suspected defect in detail, failing which all claims under warranty shall be forfeited. Hidden defects shall be reported without delay, but in any case no later than within 14 days of discovery. If Customer accepts RAGSOL's delivery in spite of visible defects, Customer shall have rights arising from such defectiveness only if Customer has reserved such rights explicitly and in writing.
- 8.1.4. RAGSOL shall remove defects through remote maintenance wherever possible. Customer shall make the required IT infrastructure as well as access to the components available for such purpose.
- 8.1.5. In the case of minor defects, RAGSOL shall either repair or replace the defective goods. Other remedies such as reduction in price or rescission of contract shall be excluded, provided, however, that RAGSOL shall have the right to offer Customer a reasonable reduction in price instead of repair or replacement.
- 8.1.6. In the case of material defects, RAGSOL shall have the right to remedy such defects either by repair or replacement; Customer shall be entitled to reduction in price only after two attempts at improvement have proved fruitless. This shall not apply to attempts at improvement made via remote maintenance. Where any still existing defects continue to adversely affect use of the delivered goods to a material extent, Customer shall be entitled to rescission and withdrawal from contract with respect to the affected goods.
- 8.1.7. Customer shall make available to RAGSOL, free of charge, any support staff, materials and tools, as set out in Clause 5.2, as may be required for improvements under warranty. Any replaced components shall, at RAGSOL's discretion, become RAGSOL's property. Any improvement or replacement made shall not result in an extension of the initial warranty period.
- 8.1.8. Claims under warranty or damages in excess of the above shall be excluded, in particular any liability for indirect loss or damage and/or loss of profit.
- 8.1.9. In all cases, Customer shall be obliged to take all reasonable measures to keep the expenses for warranty measures as small as possible.

- 8.1.10. Costs and expenses due to an unjustified notice of defect shall be reimbursed by Customer.
- 8.1.11. If the Parties agree on the delivery of used items, RAGSOL does not warrant a specific lifetime of said items.

8.2. Additional Rules Applicable to Goods Delivery, Assembly, Commissioning

- 8.2.1. Where Customer orders RAGSOL to assemble and/or commissioning delivered goods, RAGSOL warrants proper and professional installation and/or commissioning in conformity with generally accepted oil and gas industry standards, but – unless explicitly agreed otherwise – not in conformity with any customer-specific guidelines and/or locally applicable norms (outside Austria).
- 8.2.2. Where Customer orders RAGSOL to monitor assembly and/or commissioning being carried out by a third party selected by Customer, RAGSOL shall warrant only for providing proper and professional instruction to said third party. However, Customer shall in any case remain responsible for ensuring compliance with local safety and security regulations and shall instruct RAGSOL accordingly, as necessary.
- 8.2.3. Warranty shall not extend to parts subject to wear and tear. Furthermore, warranty shall not extend to defects caused by installation and/or operation not in conformity with the product-specific manuals and/or specifications, by overuse, by negligent or improper handling, by the use of unsuitable operating materials, by materials and/or spare parts furnished by third parties, by customer instructions or third-party assembly work.
- 8.2.4. In the event of improvements or replacement, the place of fulfillment shall be the original place of delivery. Any transportation to such place shall be procured by Customer, at Customer's risk and expense, in consultation with RAGSOL. If the defect is attributable to RAGSOL, RAGSOL shall reimburse the reasonable cost of such transportation. The Parties may agree to opt for another way of remedying the defect (e.g. repair on site).

8.3. Additional Rules Applicable to Measuring, Analysis, Consulting and Engineering Services

- 8.3.1. RAGSOL will prepare the services with due care and diligence, applying generally accepted standards in the oil and gas industry and using appropriate, trained and experienced persons. Customer confirms, represents and warrants that these standards are in compliance with any locally applicable technical and/or legal norms and that no additional standards and/or regulations have to be met by RAGSOL.
- 8.3.2. The methods applied by RAGSOL are based on scientific publications, opinions, analyses, assumptions and empirical findings, which themselves are not infallible and subject to a certain margin of error. RAGSOL therefore assumes no liability and/or warranty for the correctness, completeness or (technical/commercial) usability of the services and/or such information, evaluations, statements or for a

specific outcome, but only and exclusively for the application of recognised standards in the oil and gas industry.

8.3.3. The services will be prepared exclusively for Customer. A transfer to third parties is only permitted with the consent of RAGSOL. Any liability towards third parties other than Customer is excluded. In case of a transfer of the services or information contained therein to third parties, Customer agrees to indemnify and hold harmless RAGSOL from all claims arising from passing on the services or information contained therein to third parties.

8.3.4. To the extent that information was made available by Customer, this information will not be subject to any separate examination and may be accepted, used and adopted unaudited without further examination. The services will be provided on the basis of the information available at the time of preparation; information changed or newly emerged after this date cannot be taken into account and shall not lead to any duty to inform by RAGSOL.

8.4. Additional Rules Applicable to Software/Firmware

8.4.1. RAGSOL has used and/or created the software employed in the components/devices with due care and diligence, applying generally accepted standards in the oil and gas industry and generally accepted software development standards and using appropriate, trained and experienced persons.

8.4.2. The methods, empirical values and assumptions applied by RAGSOL are based on scientific publications, opinions, analyses, assumptions and empirical findings, which themselves are not infallible and subject to a certain margin of error. RAGSOL therefore assumes no liability and/or warranty for the correctness, completeness or (technical/commercial) usability of the software and/or information, evaluations, etc. derived therefrom or for a specific outcome, but only and exclusively for the application of recognised physical models and standards for software development. Neither does RAGSOL assume any liability for non-reproducible software errors.

8.4.3. Customer shall be solely responsible for the use of the software and the information, evaluations, recommendations and results derived from it as well as the trust placed in the former and shall bear all related risks.

8.4.4. Unless otherwise agreed upon, RAGSOL shall be obliged to make delivery free of third party industrial property rights and third-party copyrights only in the country of the place of delivery. Where a third party asserts justified claims against Customer for such rights being infringed by deliveries made by RAGSOL and used in conformity with the Contract, RAGSOL shall, at its discretion and expense, either obtain a right of use for such deliveries, modify them in such a way as to prevent the infringement of third-party rights, or replace them. Should RAGSOL be unable to do so at reasonable conditions, Customer shall have the statutory rights of rescission or reduction. Obligations to pay damages, if any, shall be governed by Clause 9. RAGSOL shall only be subject to the above obligations insofar as Customer notifies RAGSOL without delay and in writing of any claims asserted by third parties, does not recognise any infringement and leaves all defensive actions

and settlement negotiations to RAGSOL. Customer claims shall be excluded to the extent that Customer is responsible for infringement of property rights; including, without limitation, cases where such infringement was caused by special requirements imposed by Customer, use which could not be anticipated by RAGSOL, or by the product or service in question being modified or used alongside products not delivered by RAGSOL:

9. Liability

9.1. Liability of RAGSOL

- 9.1.1. In the event of slight negligence, any liability on RAGSOL's part and of RAGSOL's employees, contractors or other vicarious agents (RAGSOL's "people") for damage to property or financial loss shall be excluded, irrespective of whether direct or indirect loss or damage, lost profits or consequential loss or damage, loss or damage due to default, to impossibility, to positive violation of ancillary duties, to culpa in contrahendo, to defective or incomplete performance, or loss or damage arising from third-party claims against the client applies. It is always up to the injured party to prove that the loss or damage was caused by intention or gross negligence.
- 9.1.2. Furthermore, RAGSOL shall in no event (including gross negligence) be liable for punitive damages, special, indirect or consequential damage resulting from or arising in connection with the provision of goods and/or services for Customer, including, without limitation, loss of profit, production or business opportunities or business interruptions, however same may be caused.
- 9.1.3. Any exclusion or limitation of our liability shall also apply to the personal liability of our officers, directors, employees and agents.
- 9.1.4. Customers held liable themselves under the Austrian Product Liability Act (Produkthaftungsgesetz, "PHG") or respective foreign laws shall expressly waive any right of recourse against RAGSOL, in particular under section 12 PHG or respective foreign laws, unless gross negligence on RAGSOL's part is proven in the case concerned.
- 9.1.5. The amount of any claims based on RAGSOL's liability shall be capped at the higher of the net amount of the individual object of performance giving rise to the liability claim or the actual cover provided under any insurance as may have been taken out by us and Customer shall indemnify and hold RAGSOL and its officers, directors, employees and agents from and against all liability exceeding this cap.
- 9.1.6. Liability claims against RAGSOL shall become statute-barred 12 months after RAGSOL has rendered performance or, in the event of tortious liability, after knowledge, or negligent ignorance, of the circumstances giving rise to the claim and the person liable to provide compensation.
- 9.1.7. Customer must provide for appropriate training, instruction and documentation measures to ensure the proper use of RAGSOL's products. In doing so, the specified guidelines must be observed. RAGSOL is under no checking and/or warning obligation at all regarding the purpose for which the Customer intends to use the product supplied. To the extent that process-, environment- or safety-

related policies, standards or conditions apply in the Customer's line of business, the Customer alone shall be responsible for taking these into consideration and complying with them and ensuring the functioning of the supplied product within the scope of the Customer's operations; insofar, the Customer shall be obligated to indemnify and hold RAGSOL harmless regarding any claims that might be raised by third parties.

- 9.1.8. Claims for damages based on injury to life, body or health shall remain unaffected thereby.
- 9.1.9. Claims for damages based on the loss of stored data shall be excluded if such loss or damage would not have occurred had the data been duly and properly backed up.
- 9.1.10. Responsibility for the design and functionality of parts supplied by Customer shall lie solely with Customer. RAGSOL shall not be obliged to examine any documents provided, information submitted or instructions given by Customer and shall not be held liable in this respect.
- 9.1.11. If and when RAGSOL provides technical information and/or acts as a consultant outside the scope of the Contract, this shall be done to the exclusion of all liability (wilful misconduct excluded).
- 9.1.12. Unless expressly agreed otherwise, the provisions set out in this Clause 9.1 constitute the final and exhaustive regulations governing our liability. Any further liability on our part based on any grounds whatsoever shall be excluded.

9.2. Liability of Customer

- 9.2.1. Customer shall be liable under the provisions of applicable law.
- 9.2.2. Notwithstanding the above, Customer shall be liable for any of RAGSOL's goods, tools and/or equipment which is – due to the provision of services by RAGSOL under the Contract – in its possession and/or custody and/or present on Customer's premises / facilities.

10. Confidentiality, Intellectual Property, Restriction of Use

10.1. Definitions

For the purposes of these Terms and Conditions

- a) "**Confidential Information**" means and includes without limitation any information and/or documents (including in each case but not limited to: patents, ideas, know-how, concepts, business plans, trade secrets, formulas, meeting reports, analyses, studies, computations, compilations, inventions, discoveries, research, designs, drawings, plans, specifications, product or process specifications, developments, processes, applications, hardware, software, engineering, manufacturing and marketing data, customer names and any other commercial, financial, technical, research or strategic information) revealed or disclosed in any form or manner to Receiving Party (and/or its affiliates and/or its employees, officers and/or agents) by Disclosing Party (and/or its affiliates and/or its employees, officers and/or agents),

whether written, oral, electronic, visual, graphic, photographic, observational, or otherwise and also includes information and/or documents jointly created by the Parties (and/or their affiliates, their respective employees, officers and/or agents) in connection with the Quotation and/or the Contract.

- b) “**Disclosing Party**” means the Party disclosing the Confidential Information
- c) “**Receiving Party**” means the Party receiving the Confidential Information

10.2. Confidentiality

10.2.1. Receiving Party undertakes to hold the Confidential Information in the strictest confidence and not to disclose, trade, make available or otherwise divulge the Confidential Information to any person or entity (or in any other way use or make use of) without the prior written consent of Disclosing Party, except as permitted by 10.2.2, 10.2.3 and 10.2.5.

10.2.2. Receiving Party may disclose the Confidential Information without the prior written consent of Disclosing Party only to the extent that the Confidential Information

- a) is already lawfully known to Receiving Party or its affiliates under no applicable obligations of confidentiality or restrictions of use;
- b) is in the public domain other than through the act or omission of Receiving Party or of any other person or entity to whom Confidential Information is disclosed by Receiving Party whether pursuant to this Contract or in breach thereof;
- c) is available to Receiving Party or its affiliates having become so available through any third party that expressly represents that it has the right to disclose such information under no applicable obligations of confidentiality or restrictions on use at the time that it is acquired by Receiving Party or its affiliates; or
- d) is required to be disclosed by law or by any government, statutory or regulatory body (provided that Receiving Party informs the receiving third party of the confidential nature of such Confidential Information and makes all reasonable efforts – if legally permissible – to give prompt notice to Disclosing Party prior to such disclosure of the request made by such receiving third party and the extent of the intended disclosure).

10.2.3. Receiving Party may only disclose the Confidential Information without the prior written consent of Disclosing Party to

- a) its employees, directors and officers;
- b) its affiliates and the employees, directors and officers of such affiliates;
- c) its professional advisers, consultants and/or agents;

in each case only under the condition and to the extent that disclosure to these recipients is essential for the execution of the Contract; and to

- d) any insurer, insurance broker, bank, financial institution, fund or funding entity which Receiving Party proposes or intends to involve in relation to the Quotation and/or Contract; and
- e) to its auditor.

but in any case strictly on a need-to-know basis.

- 10.2.4. In case RAGSOL is the Receiving Party, RAGSOL may disclose Confidential Information to any subcontractor and/or agent retained or engaged by RAGSOL and/or competent authorities for the purpose of the performance of its obligations and/or exercise of legal rights under the Contract and/or competent authorities (including, but not limited to customs authorities).
- 10.2.5. Prior to the disclosure of any Confidential Information under the provisions of 10.2.3 a), b) and/or c) of this Contract, Receiving Party shall ensure that the recipient
- a) is made aware of the terms of this Contract; and
 - b) is bound by Receiving Party to maintain the confidentiality / observe the restriction of use of such Confidential Information on terms no less onerous than those set out in this Terms & Conditions.
- 10.2.6. Receiving Party shall be liable to Disclosing Party (and/or their affiliates and/or their respective shareholders) for any loss or damage suffered by Disclosing Party or its affiliates and/or shareholders arising out of the disclosure of Confidential Information by the recipients under the provisions of Clause 10.2.3 or by any person or entity to whom it has been disclosed directly or indirectly by Receiving Party to the same extent as if the Confidential Information had been disclosed by Receiving Party.
- 10.2.7. Unless expressly agreed upon otherwise in writing, any Confidential Information shall remain the exclusive property of Disclosing Party (or its affiliate). Upon written notice of Disclosing Party, Receiving Party shall at Disclosing Party's sole discretion either return or destroy all disclosed Confidential Information without retaining any copies and or reproductions, summaries, analyses or extracts thereof (insofar as not prohibited by statutory requirements to retain records). Upon return and/or destruction of the Confidential Information, Receiving Party shall confirm in writing that it and/or any third party to which it disclosed the Confidential Information has destroyed and/or returned to Disclosing Party all Confidential Information.

10.3. Intellectual Property and Restriction of Use

Except for the limited rights of use expressly enumerated in the Quotation, the Contract and/or these Terms and Conditions, RAGSOL does not and shall not be construed as granting to Customer

- a) any rights in or to the Confidential Information;
- b) a license or any rights under any of RAGSOL's patent, trademark, copyright, design, license or trade secret or other intellectual property rights beyond that necessary for the purposes of fulfilling the Contract;
- c) any right to use RAGSOL's name in connection with any proposals or public disclosures; or
- d) any right to use, sell, commercialise or develop the Confidential Information and

Customer shall not

- a) use the Confidential Information for other purposes than the purpose of this Contract, neither by itself nor through its affiliates or third parties and/or
- b) use Confidential Information to apply for trademark, patent, design, copyright or any other form of intellectual property protection.

10.4. Use of data

With regard to any data gathered by measurement devices provided by RAGSOL to Customer and any findings made by RAGSOL during the execution of the Contract, RAGSOL shall have the right to use these data for internal trainings and for the development and improvement of products and services.

10.5. Know-How, Inventions

Any know-how, findings, improvements, developments and/or inventions made in relation to RAGSOL products and/or services as well as such that are based on the data and/or findings contemplated in Clause 10.4 – shall, in any case, belong to RAGSOL.

11. Impossibility, Contractual Adjustments, Force Majeure

11.1. Definition

“Force Majeure” means any event affecting obligations from an external source whose occurrence could not have been avoided even if the greatest possible care had been applied and is beyond the parties’ control, such as (without limitation), sovereign intervention or orders of public authorities, war, riots, revolution or unrest, strikes, lockouts, orders by public authorities limiting the production, storage, import, transport and export of goods, terrorist or criminal attacks (including attacks on IT infrastructure or software), breakage or damage of technical facilities without anyone’s fault, natural disasters and blackouts. Force Majeure events affecting suppliers of RAGSOL shall be deemed to be Force Majeure effects affecting RAGSOL. Force Majeure shall not include events where separate express provision for such events has been made outside of this Clause.

11.2. Release from Contractual Obligations

Should Force Majeure prevent one of the Parties from fulfilling the obligations assumed under a Contract, this Party shall be released from having to fulfil its obligations for as long as the Force Majeure event subsists. Accordingly, the contractual obligations of the other Party corresponding to such obligations shall also be released for the corresponding period of time. Any further liability for cases of Force Majeure shall be excluded.

11.3. Legal Consequences

In the case of a Force Majeure event, the Parties shall immediately contact each other in order to be able to rely on the Force Majeure event to release them from their obligations as per above, and shall use all reasonable means to limit the effects and

consequences of the Force Majeure event to the smallest possible degree and to remedy them as swiftly as possible. Should events of Force Majeure and/or their repercussions subsist for more than one month, the Parties shall enter into negotiations in order to find a solution that is acceptable for both Parties. In case the Parties cannot agree on a mutually acceptable solution, the Contract shall be terminated but any deliveries and/or or services rendered under the Contract shall be compensated pro rata.

12. Termination for Material Reason

12.1. Cause

Without prejudice to any other rights the Parties may have under this Contract, the Contract may be terminated with immediate effect for one or more of the following reasons

- a) by each Party, if the other Party is in breach of any of its essential obligations under this Contract and said breach is not remedied after a grace period of 30 days or a longer time which might be appropriate due to the nature of the breach of obligation after a Party has given written notice (e-mail suffices) to the other Party on management level;
- b) by each Party, if the other Party is in material and/or continued breach of any mandatory applicable laws and regulations;
- c) by each Party (to the extent permitted by applicable law) if the other Party, at any time during the term of this Contract, is overindebted under any of the provisions of any applicable bankruptcy act or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt;
- d) by RAGSOL, if Customer is in breach of Clauses 4.7.2, 4.7.5, 8.3.3, 10, 14 and/or 16.1;
- e) by RAGSOL, if Customer is in continued and/or material breach of 4.1.3, 4.3.2, 5, 6 and/or 13;
- f) by RAGSOL, if a payment by Customer is – despite RAGSOL giving a reminder and granting a grace period of at least 14 days – overdue for more than 30 days;

12.2. Legal Consequences

Where RAGSOL is justified in terminating the Contract for material reason, RAGSOL shall be free from all obligations under the Quotation and/or Contract and shall not be obliged to continue performing the Contract. RAGSOL shall be entitled to payment for all work or services provided up until such time (including all frustrated expenses and work and services which RAGSOL cannot utilise in any other way at all or only by suffering an economic disadvantage). Any further claims for damages shall remain unaffected thereby.

12.3. Suspension of Performance

If there is a material reason, RAGSOL shall have the right, at its own discretion, to suspend performance under the Contract for as long as such material reason subsists. RAGSOL's right to terminate the Contract for material reason shall remain unaffected thereby.

13. Health, Safety and Environment ("HSE")

13.1. HSE Rules and Regulations

13.1.1. Customer's rules and regulations concerning Health, Safety and Environment shall apply if and to the extent that they were notified to RAGSOL before the conclusion of the Contract. Customer shall nevertheless ensure a safe working environment and be solely responsible for compliance with all applicable HSE rules and regulations and all applicable standards of the oil and gas industry. Customer shall, if applicable, instruct RAGSOL personnel with regard to these provisions in a timely manner.

13.1.2. Customer shall be responsible in relation to all aspects of the operation of the respective oil and/or gas fields/wells and shall have final authority and responsibility for the safety and operation of all systems, equipment and personnel. Customer shall especially be responsible to obtain all required internal approvals and/or official authorizations.

13.1.3. RAGSOL and/or its employees and any other companies and their personnel shall be entitled to refuse installation, commissioning and/or any other service or work if and as long as the operating conditions to be provided by Customer do not warrant a safe working environment and/or system. Customer shall bear all costs of the delay incurred by RAGSOL and shall reimburse RAGSOL for any damage in such case.

13.2. Safety Equipment

RAGSOL adheres to the generally accepted standards in the oil & gas industry. Additionally, safety equipment for personal security shall be determined according to the locally applicable regulations. If special equipment is required, Customer shall provide the relevant information to RAGSOL in a timely manner.

13.3. First Aid

Customer will, during the term of the Contract, provide first aid and medical support at the place of delivery/performance and during transportation of goods and/or personnel to and/or from the place of delivery/performance.

14. Import Control, Sanctions, Anti-Corruption, Anti-Money-Laundering, Compliance

14.1. Import Controls, Sanctions

14.1.1. By placing a purchase order, Customer confirms that the goods ordered are not subject to any import controls in the country of delivery. Customer represents and

warrants that the goods and/or equipment will not be used for military and/or nuclear purposes.

14.1.2. Customer confirms and warrants that neither Customer nor any potential (final) recipient of the goods and services ordered, authorised representatives of its company and/or of any (final) recipients of the goods and services ordered, the country of delivery and/or the respective country of (final) destination nor the intended use of the goods and services ordered are subject to sanctions. Customer confirms further that goods and services ordered which are subject to dual-use regulations shall not be used by Customer or the potential recipient in contravention of any dual-use bans.

14.2. Anti-Corruption and Anti-Money Laundering

14.2.1. Neither Party nor any of their subsidiaries or affiliates, nor any director, officer or employee, nor, to the respective Party's knowledge, any agent or representative of the respective Party or of any of their subsidiaries or affiliates, has taken, implied or will take any action in furtherance of an offer, payment, promise to pay, or authorisation or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any "government official" (including any officer or employee of a government or government-owned or controlled entity or of a public international organisation, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) to influence official action or secure an improper advantage; and each Party and their respective subsidiaries and affiliates have conducted their businesses in compliance with applicable anti-corruption laws.

14.2.2. Each Party warrants that neither it nor its officers, directors and employees, nor its agents or representatives, if any, have promised or awarded or will promise or award to the other Party's managing directors or representatives any benefit or payment (including fringe benefits, management fees, monitoring fees, service or directors' fees, bonuses, premiums, or other compensation of any kind) on the occasion of or in connection with this Contract in terms of time or content. With respect to third parties subject to the control or determining influence of a Party, including but not limited to agents, business development consultants, sales representatives, customs agents, general consultants, resellers, subcontractors, franchisees, lawyers, accountants or similar intermediaries, acting on the Party's behalf in connection with marketing or sales, the negotiation of contracts, the obtaining of licenses, permits or other authorisations, or any actions that benefit the Party, Parties should instruct them neither to engage nor to tolerate that they engage in any act of corruption, not use them as a conduit for any corrupt practice and not pay them more than an appropriate remuneration for their legitimate services.

14.2.3. The operations of each Party and their respective subsidiaries are and have been conducted at all times in compliance with all applicable financial recordkeeping and reporting requirements and the applicable anti-money laundering statutes of jurisdictions where the respective Party and/or their respective subsidiaries

conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the “Anti-Money Laundering Laws”), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the respective Party or any of their subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the respective Party, threatened.

14.3. Compliance

14.3.1. Both Parties and their respective representatives, employees and officers will perform their respective duties and obligations under or in connection with this Contract in compliance with all applicable national or international laws, regulations, directives and any other statutory provisions.

14.3.2. The Parties understand that compliance with the above is essential for them and the Parties expect that they will carry out their obligations under this Contract based on and in compliance with the above. If one Party has reason to believe that a breach of the representations and warranties of this Clause has occurred, the Parties shall cooperate fully and in good faith in order to investigate whether a breach has occurred and – in the event of a breach – agree on an appropriate remedial action without undue delay.

15. Governing Law, Competent Court, Arbitration

15.1. Governing Law

The Quotation, the Contract and any legal matters related to the Quotation and/or the Contract shall be governed by and interpreted in accordance with the substantive laws of Austria excluding any choice of law rules which would refer the matter to the law of another jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods, (CISG) shall not apply.

15.2. If Customer has its seat within the EU:

The Parties agree that the Vienna Commercial Court shall have exclusive jurisdiction for any and all legal disputes arising from the Quotation and/or the Contract and/or its initiation or execution.

15.3. If Customer has its seat outside of the EU: Arbitration

Any and all claims, demands, causes of action, disputes, controversies and other matters in question arising out of or relating to this Quotation and/or any Contract based on the Quotation, including any question regarding its (respective) existence, validity, breach and/or termination, which the Parties do not resolve amicably, shall be finally and exclusively settled by arbitration in Vienna, Austria in accordance with the ICC Rules for International Arbitration. The proceedings shall be in the English language; the substantive law of the Republic of Austria shall be applicable. The number of arbitrators shall be

- a) one (1) in cases where the amount in dispute is less than EUR one (1) million (the sole arbitrator shall be mutually agreed on between the Parties within 60 days after a Party demands arbitration in writing; failing which the sole arbitrator shall be appointed according to the ICC rules);
- b) three (3) in cases where the amount in dispute is EUR one (1) million or more, one to be appointed by each Party, and the third arbitrator to be appointed by the two arbitrators appointed by the Parties.

16. Final Provisions

16.1. Assignment of Rights and Obligations

Customer shall not have the right to assign the Contract and/or individual rights and obligations thereunder to third parties without the prior written consent of RAGSOL. RAGSOL shall have the right to assign the Contract and/or individual rights and obligations thereunder to third parties (including, without limitation, affiliates) and to make use of affiliates, subcontractors, agents and/or other third-party entities to fulfill the Contract.

16.2. Assignment of Receivables

RAGSOL may at any time and without further notice assign receivables under this Contract to third parties, including (without limitation) its bank, credit insurers, export credit agencies. If RAGSOL fails to inform Customer of such assignment, Customer's payments to RAGSOL shall nevertheless be to Customer's account.

16.3. Notices

Any and all notices under this Contract or provided for by statute shall be made in writing to the other Party.

16.4. Amendments

Supplements, changes or additions to the Contract must be made in writing. Unless expressly stated otherwise in these Terms and Conditions, e-mail is not sufficient; this also applies to any alteration of this Clause.

16.5. Severability Clause

Should one or more provisions of this Contract be or become invalid, ineffective, unfeasible and/or unenforceable, such deficiency shall not affect the remaining provisions of this Contract. Each deficient provision shall be deemed replaced by a valid, effective, feasible and enforceable provision which comes closest to the economic and legal effects the Parties expected the deficient provision to have.