

General Terms and Conditions

- Last revised 01.2019 -

1. General

1.1 Users of these terms and conditions ("GTC") are the following companies:

Klose Industrial Service GmbH & Co. KG
Klose Industrial Service Sdn Bhd
Klose Industrial Service, Inc.
Klose Holding GmbH
Klose Management GmbH

In the following called "KLOSE Group".

1.2 All business transactions of the KLOSE Group are fundamentally based on the following terms and conditions (hereinafter referred to as "GTC"), insofar as mandatory and / or general legal provisions of national and international law do not preclude. Other condition or deviating agreements do not become part of the contract, even if the KLOSE Group does not expressly oppose them. Even by acceptance and execution of an order, the deviating conditions of the client are not part of the contract. These conditions do not apply to European consumers.

1.2.1 For freight forwarding activities, which are not concerned with the handling of large-capacity and heavy goods, the General German Forwarder's Conditions (ADSp), latest version, and as far as the clause. 1.3 ff. Of the terms and conditions. The ADSPs therefore apply, but are not limited to, to forwarding contracts concluded with the KLOSE Group, freight contracts by motor vehicle, inland and seagoing vessels, by rail or by plane (with the exception of removals, crane work and large-capacity and heavy-duty transports). Warehousing and other business customarily associated with the freight forwarding business, including packaging and assembly work, if and in so far as such work is connected with the carriage, storage or transport of the goods.

1.3 Underlying transactions pursuant to Number 1.2.1

1.3.1 **Crane provision** within the meaning of these terms and conditions refers to the provision of hoisting equipment and operating personnel to the client for carrying out work in accordance with its instructions and disposition.

1.3.2 **Crane work** in the sense of these terms and conditions refers to the transport of goods (freight contract), in particular the lifting, moving and moving of loads with the help of a hoist and means the assumption of one or more agreed lifting maneuvers by the KLOSE Group or its subcontractors in its instructions and disposition.

1.3.3 **Large and heavy transport services** within the meaning of these Terms and Conditions refers to the carriage and organization of the carriage of goods of larger dimensions and / or heavier weights, in particular, but not only by means of special means of transport, e.g. fork lifts, heavy duty skates / castors, lifting jacks, air cushion or similar. These are freight contracts.

1.3.4 **Exclusive packaging and assembly work** within the meaning of these terms and conditions are services that are directed to the packaging of any objects as well as the assembly and disassembly of equipment, etc., without these services being in accordance with the scope of the ADSp gem. Para. 1.2.2 or one of the contracts acc. Para. 1.3.1 - 1.3.3 (so-called exclusive packaging and assembly orders). On exclusive packaging and assembly orders, works contract law applies.

1.4 Regulatory Approvals

1.4.1 If the execution of a Contract requires a permission or approval of the competent authority, these Contracts shall be made subject to the suspensive condition of timely permission or approval.

1.4.2 Fees and costs incurred as a result of official requirements, police escort, other official security measures, shall be borne by the client, unless otherwise expressly agreed in writing.

1.5 The weekly working time is 45 hours and is spread over 8 hours from Monday to Friday and 5 hours per Saturday. These times are also credited if (for reasons not attributable to the KLOSE Group) shorter working hours must be observed. Overtime is provided if required and agreed. The daily working time frame is limited to 10 hours, a use of more than 10 hours as well as work on Sundays and public holidays at the place of work takes place only in urgent exceptional cases. Travel times are calculated according to our "direct cost rates". The cost of the daily arrival and departure has to be paid by the client, unless otherwise agreed. The working time also includes the waiting time of the KLOSE Group employees and the time required for official reporting. Public holidays are the statutory holidays at the place of performance. The employer will confirm the working hours of KLOSE Group Personnel on a daily, weekly or post-employment basis during projects. In case of doubt, the site supervisor of the client is considered to be authorized.

2. Subcontractors

The KLOSE Group is entitled to commission other contractors to fulfill the contractual obligations assumed, unless otherwise agreed upon acceptance of the order.

3. Termination

Provided that the KLOSE Group has taken due care of a careful businessman, it is entitled to terminate the contract to the exclusion of any claim for damages or reimbursement if, after careful consideration of and during the use of vehicles, equipment or work equipment of all kinds, substantial damage is suffered to foreign and / or own property and / or assets are to be feared. In this case, the agreed fee will be calculated pro rata. Weather-related interruptions do not reduce our entitlement to the fee.

4. Obligations of the client

4.1 The client is obligated to keep the goods to be handled or transported in a condition that is prepared and suitable for the execution of the order, and to specify the correct dimensions, weights, hooks, attachment and main points as well as special characteristics of the goods when placing the order. Third-party information, which the client uses to fulfill his obligations, is considered as his own.

4.2 The client has to obtain the necessary consents from the owners in good time at his risk and his expenses for driving on foreign plots of land and non-public streets and squares, and the KLOSE Group shall be held free of claims of third parties resulting from an unauthorized use of a third-party property. This does not apply if the KLOSE Group has accepted such consent.

4.3 The Client guarantees that the conditions of the ground and other conditions of the access routes to the place of employment as well as the place of employment itself - with the exception of the public road, paths and squares - allow a proper and safe execution of the order. In particular, the client has to ensure that the soil conditions at the

loading and unloading point or at the crane stand are sufficient to the supporting pressures, axle loads and other stresses. The Client is required to obtain information about the presence and location of underground ducts, utility lines, other earthworks and cavities that may affect the load-bearing capacity of the ground at the site or the access roads and to notify the KLOSE Group without request.

4.4 The client assumes the warranty and the risk that the equipment provided by him (such as special trailing, special shackles, rope loops, passenger baskets, factory lifting equipment such as overhead cranes, forklifts, aerial work platforms, baskets, etc.) are suitable for the execution of the work and comply with the legal requirements (TUV, BG acceptance, etc.).

4.5 After placing the order, the client may not, without the consent of the KLOSE Group, issue instructions to the personnel employed by the KLOSE Group that deviate from the contractual agreements in nature and scope.

4.6 Does the client violate the aforementioned obligations in accordance with Art. Para. 5.1.1 - para. 5.1.5 culpably, he is liable for the resulting damages in accordance with the relevant statutory provisions.

4.7 Delays, downtime and waiting times for personnel, cranes, vehicles and equipment of the KLOSE Group, which are the responsibility of the client - or its other, participating subcontractors - shall be borne by the client and will be charged additionally, unless other written Agreements were made. The KLOSE Group reserves the right to assert further claims for damages.

4.8 The customer must take the measures necessary for the protection of persons and property at the place of work and inform the staff of the KLOSE Group, or the foreman of the KLOSE Group, of any special safety regulations.

4.9 The customer is obliged to provide technical assistance at his own expense, in particular for the provision of heating, lighting, operating power, water, including the necessary connections. Furthermore, he is obliged to provide necessary, dry and lockable rooms for the equipment and tools brought along and to provide suitable, theft-proof lounges with sanitary facilities and first aid for the staff of the KLOSE Group. Furthermore, the client is obliged to provide suitable electrical connection options (including energy) in the immediate vicinity of the construction site free of charge.

5. Obligations and Liability of the KLOSE Group

5.1 Crane and personnel provision

5.1.1 If the main service of the KLOSE Group is in the crane and / or personnel provision acc. Para. 1.3.1 of these terms, the careful selection of personnel, as well as the provision of a generally and in particular suitable, portable hoist, which is according to the relevant legal regulations and the valid rules is to be provided.

5.1.2 Liability

5.1.2.1 Liability for non-timely delivery acc. Para. 5.1.1, is excluded if it could not have been averted by the diligence of a careful businessman or if it was due to force majeure, strikes, road closures and other unavoidable events. In all other cases of non-timely presentation, the liability of the KLOSE Group is limited to the typically foreseeable damage, except in cases of gross negligence or intent.

5.1.2.2 The liability for initial defects and subsequent defects of the hoist and / or other objects provided for use by the KLOSE Group is, except for damage due to injury to life, limb or health, which is due to a culpable breach of duty of KLOSE Group or damage from grossly negligent or intentional breach of duty or from the breach of essential contractual obligations by the KLOSE Group are excluded, whereby in the latter case the claim for compensation is limited to the foreseeable typical damage.

5.2 Packaging and assembly services

5.2.1 If the main service of KLOSE Group is the exclusive packing and / or assembly service according to para. 1.3.4, it undertakes to duly and professionally execute all orders given to it, using all the means and technical means at its disposal, in compliance with the relevant rules of technology.

5.2.2 Liability

5.2.2.1 The liability of KLOSE Group for damages resulting from the exclusive packaging and / or assembly activity on the goods is limited to €5.00 (Euro Five) per kg of the gross weight of the goods to be assembled / packaged. In any case, the liability for this is limited to €500,000.00 (Euro Five hundred thousand) per claim. The liability of the KLOSE Group for other than damage to the assembled goods, with the exception of personal injury (life, body, health) and property damage to third-party goods, is limited to €100,000.00 (Euro One hundred thousand) per damage during assembly / packaging.

5.2.2.2 The above exemptions shall not apply if the damage was caused by intent or gross negligence on the part of the KLOSE Group or its officers or by breach of essential contractual obligations, whereby compensation claims in the latter case are limited to the foreseeable, typical damage. The exclusion of liability also does not apply if the KLOSE Group is liable for the lack of guaranteed properties.

5.2.3 The warranty is initially limited to the repair of the respective services. Only if this has failed, the statutory provisions apply / the client can demand reduction of the fee or cancellation of the assembly order. The warranty period is max. 12 months, unless there is a case of § 634a Abs 1 No. 2 BGB. The limitation period for claims for damages is not covered by this regulation. Warranty for defects that are based on wear or improper use of the respective service / product in question is excluded.

5.2.4 The aforementioned limitations of liability also apply to non-contractual claims.

5.3 Crane work and transport in large-capacity and heavy-load transport

5.3.1 Does the main service consist in the provision of transport services in accordance with para. 1.3.2, 1.3.3, the KLOSE Group undertakes to use and to provide, in general and in particular, suitable means of transport and hoists which are ready for operation, safe in operation and in accordance with the applicable provisions of the TÜV or applicable laws at performance location and using suitable operating personnel (crane operators and drivers) who are familiar with the operation of the means of transport or the hoist to provide. In addition, the KLOSE Group provides necessary auxiliary, instructional and other personnel by agreement of and at costs of the client.

5.3.2 The liability of KLOSE Group for the transport services acc. Para. 1.3.2 and 1.3.3 (freight contracts according to § 407 HGB) are governed by the statutory provisions. **Contrary to § 431 Abs. 1 HGB, however, the compensation for loss or damage to the goods is limited to an amount of 2 SDR for each kilogram of the gross weight of the goods.**

5.3.3 In principle, the KLOSE Group assumes no responsibility for compliance with pick-up, completion and delivery dates. The project transport and plant assembly industry are intrinsic to delays due to actual or legal reasons. Therefore, pick-up and delivery data can only be notified, without which the KLOSE Group can assume liability towards its clients for compliance with these deadlines. Exceptionally, and only if a fixed date has been agreed in writing with the KLOSE Group and has been countersigned by the KLOSE Group.

6. Range of the Terms

These terms and conditions relate to the restrictions acc. Para. 1.2 to all claims, regardless of the legal grounds. They may also be appointed by the contracted second-party contractors and all workers involved in the execution.

7. Payment and offsetting

7.1 Claims of the KLOSE Group are payable immediately after fulfillment of the service and payable net cash. The agreed amounts do not include statutory sales tax, which is additionally to be reimbursed to the KLOSE Group in the statutory amount.

7.2 Offsetting claims from the contract and related non-contractual claims shall be set off or withheld only with due undisputed or legally established counterclaims.

7.3 If there are more than 6 months between the order confirmation and the commencement of work or if the work takes more than 6 months, the KLOSE Group has the right, in the event of any subsequent increase in the working prices, raw material costs, freight charges or prices for goods to be purchased by us, to adjust the Prices offered in a reasonable manner, maximum of five (5) percent increase.

7.4 Verbal agreements with the KLOSE Group staff are only valid if they have been confirmed in writing by the KLOSE Group.

8. Replacement of the client

If, without our fault, the devices, equipment or means of transport which we provide are damaged on the assembly site or if they are lost without our fault, the customer is obliged to compensate for these damages.

9. Final provisions

9.1 Place of fulfillment and place of jurisdiction - also for check and bill of exchange claims - is the location of the branch / company of the KLOSE Group, to whom the order is directed or who has placed the order, unless mandatory or AGB-firm, national or international legal regulations stand against that. For all disputes also Ludwigsburg offers a (possibly additional) jurisdiction.

9.2 All contracts are subject to German law. This also applies to foreign clients. The application of the UN Sales Convention is excluded.

9.4 Unless otherwise stipulated in these Terms and Conditions for individual legal claims, all legal claims, on whatever legal grounds, become time-barred after 12 months. For damage claims, the statutory periods apply, unless otherwise specified in the Terms and Conditions.

9.3 If parts of these Terms and Conditions should be ineffective or in individual cases not applicable, this shall not affect the validity of the remaining provisions.