



STREICHER Drilling Technology GmbH
Josef-Wallner-Straße 5 a, 94469 Deggendorf

§ 1 General provisions, Scope of application

- (1) All of our rental agreements for rental equipment, plants and plant components (rental object) are subject to, even without express mention in negotiations, exclusively these General Terms and Conditions for the Leasing of Equipment, Plants and Plant Components (hereinafter referred to as GTCL). Our GTCL also apply to all future business relationships with the Lessee, even if they are not expressly agreed again. Our GTCL are deemed to be accepted at the latest with the acceptance of the leased property. Sentence 2 does not apply to non-merchants.
- (2) The conditions of the Lessee are not recognised and are therefore not the basis of the contract, even if we do not expressly object to them.
- (3) No waiver of the rights granted to us by law is associated with these GTCL.

§ 2 Offer, Acceptance of orders

- (1) Our offers are subject to change and non-binding. A contract is only concluded upon our written order confirmation/countersignature alone with the content confirmed there. Our employees are not authorised to give verbal side agreements or assurances that go beyond the content of the written offer.
- (2) Any information in catalogues, brochures, advertisements, price lists, proficiency tests, on the internet, models, samples, etc. in particular with regard to weight, dimensions, performance parameters, composition, etc., are non-binding.
- (3) Delivery and service time are approximate and non-binding, unless their binding nature was expressly agreed in writing.

§ 3 Duration of lease

- (1) The start of lease is the date for the provision of the rental object for transport at the shipping location (our company headquarters).
- (2) The lease period begins with the start of lease, but not before the rental object is actually ready at the shipping location for transport.
- (3) The rental period is at least 30 days, unless contractually agreed otherwise.
- (4) The lease period ends on the day on which the rental object is returned to the shipping location, but not before the end of an agreed lease period.
- (5) The provision of § 545 German Civil Code (BGB) of a tacit extension of the lease by means of continuation of use after expiry of the lease period is excluded.

§ 4 Rent

- (1) Our rental prices are in principle ex shipping location, including loading, plus taxes, duties and fees (especially customs duties, withholding taxes and value added tax) regarding the execution of the contract, but excluding packaging. Costs of any agreed transport, similar or other insurance shall be borne by the Lessee.
- (2) The Lessee must bear all operating and ancillary costs for the rental object.
- (3) The rent is charged on a monthly basis, unless contractually agreed otherwise. One day is defined as a calendar day. One week is defined as seven days. One month is defined as a calendar month. If the rent is agreed per month or per week, it is calculated pro rata for commenced months or weeks.
- (4) Rental invoices are invoiced monthly in advance at the beginning of each month and are payable within 14 days of the invoice date.

§ 5 Securities

- (1) The Lessee is obliged to provide a deposit in the amount specified in the contract by no later than 14 days prior to the delivery date as security for the fulfilment of its liabilities. The Lessee is free to make the security deposit by means of a cash deposit, transfer deposit or by a surety from a major German bank or a German credit insurer. The guarantee must be unlimited, unconditional, irrevocable and directly enforceable, with waiver of the right of contestability and of set-off.
- (2) All costs that are incurred for the provision of securities must be borne by the Lessee.
- (3) Due to due claims against the Lessee, we can already satisfy ourselves from the deposit during the duration of the lease. In this case the Lessee is obliged to increase the deposit again up to the original amount.
- (4) After the end of the lease and an appropriate inspection of the rental object, we will release the deposit if no outstanding claims from us against the Lessee exist at this point in time.

§ 6 Payment terms

- (1) Payments are only made in a timely manner if we can dispose over the money with a value date on a due date on one of the accounts we specified.
- (2) If the Lessee is in default of payment, we are entitled to demand at least the statutory default interest pursuant to § 288 German Civil Code (BGB); the proof and claim of higher interest rates and higher interest rate damages remain unaffected.
- (3) Further contractual or statutory claims in the event of delay remain reserved.
- (4) The Lessee is only entitled to offsetting rights if its counterclaims are legally determined, are undisputed or are acknowledged by us and are based on the same contractual relationship.
- (5) The Lessee is only entitled to exercise a right of retention in this respect if its counterclaim is based on the same contractual relationship.
- (6) We are not obliged to accept cheques and bills of exchange. Discount and exchange expenses shall be borne by the Lessee. Payment with a cheque or bill of exchange is always carried out only on account of performance.
- (7) We are entitled to offset payments of the Lessee initially on its older liabilities or initially on the costs and interest and only then on the main debt.

§ 7 Delivery and transport

- (1) The delivery of the rental object shall take place FCA at the shipping location, ICC Incoterms 2010.
- (2) If the Lessee does not collect the rental object on the agreed delivery date, it is obliged to pay reservation rent that corresponds to the agreed rental prices. If the rental object is not picked up within 7 days after the agreed delivery date, we are entitled to terminate the contract with immediate effect. In this case, claims of the Lessee for damages are excluded.
- (3) Delivery takes place only after all securities pursuant to § 5 have been provided by the Lessee and all payments due prior to delivery have been made. If the Lessee fails to fulfil these obligations in time, § 7 (2) applies accordingly.

§ 8 Transfer of risk

- (1) The risk is transferred to the Lessee at the latest as soon as the rental object has been handed over to the person carrying out the transport or has left our plant or storage location for shipment.
- (2) If the collection, transport or shipment is delayed or fails to take place due to circumstances for which we are not responsible, risk is already transferred to the Lessee on the agreed date of delivery.
- (3) The rental object is to be accepted by the Lessee notwithstanding his rights under § 9, even if it features negligible defects.

§ 9 Defect rights

- (1) The rental object is handed over to the Lessee in the condition in which it is in at the start of the lease. Our liability for initial defects is excluded unless we have fraudulently concealed the defect.
- (2) After handover of the rental object, the Lessee shall examine it for obvious defects.
- (3) The Lessee must inform us immediately of any defects of the rental object during the lease period after discovery. In the case of oral notification, a written notification must be made at the latest within three days after the occurrence of the defect. The Lessee is responsible for any foreseeable damage which is caused by a delayed notification.
- (4) We will remedy defects as quickly as possible within a reasonable period after receipt of the notification. For this purpose, the Lessee grants us sufficient time and opportunity as well as required support.

§ 10 Maintenance and servicing of the rental object

- (1) The Lessee is responsible for maintenance and servicing of the rental object at its own expense insofar as this is necessary as a result of the contracted use of the rental object.
- (2) The documents required for maintenance and servicing are handed over when the rental object is handed over. The Lessee is entitled to use these documents for maintenance and servicing.
- (3) In the context of maintenance and servicing, the Lessee shall perform work in accordance with our documents; this includes regular inspections and minor preventative work to maintain the rental object in a proper condition and to avoid the emergence of defects.
- (4) The Lessee shall procure the necessary spare parts for maintenance and servicing of the rental object through us. If we do not immediately declare upon request by the Lessee that we will procure the necessary spare parts within the same period and at the same cost as the Lessee, the Lessee is entitled to procure the spare parts itself.

§ 11 Inspection of the rental object

- (1) We have, under the condition that the Lessee is not excessively impaired, the right to inspect the rental object at any time during the rental period after timely prior announcement.
- (2) In cases of urgent danger to the rental object, we are entitled to inspect the rental object without prior notice and in the absence of the Lessee.

§ 12 Return of the rental object

- (1) The Lessee is obliged to return the rental object to us after the lease has ended, in a complete, defect-free and properly cleaned condition, with the maintenance and servicing tasks carried out in accordance with the degree of wear.
- (2) If constructional changes have been made by the Lessee, the original condition of the rental object is to be restored.
- (3) The rental object will be returned by the Lessee DAP at our company headquarters, ICC Incoterms 2010.

§ 13 Final inspection and repair

- (1) After the end of the lease, we will carry out a final inspection of the rental object.
- (2) We will carry out the necessary repair work at the Lessee's costs, insofar as the deterioration of the rental object has been caused by the rental use.
- (3) Insofar as the Lessee has not fulfilled its obligations from § 10 during the tenancy relationship, we will carry them out. The Lessee shall bear the costs for this. After the end of the lease, Lessee will lose its claim to carry out the obligations of § 10 itself, or to have them carried out.

§ 14 Insurance and risk transfer

The Lessee shall insure the rental object as customary in the sector for the duration of the rental period. In particular, the rental object is to be insured against machine breakage, natural hazards and theft. The Lessee shall also conclude a transport insurance policy. Before handover of the rental object, the Lessee shall provide proof of the cover confirmations issued by the insurer.

§ 15 Additional obligations of the Lessee

(1) The Lessee takes over the following additional, non-exhaustive obligations and responsibilities:
The Lessee

- is responsible for all aspects of its project, such as construction site access, unloading, machine operation and compliance with all other project, construction site and operating requirements, unless otherwise agreed in writing,
 - uses the rental object according to the operating instructions, which are handed over with the rental object and only for the intended purpose, and protects it from improper use of any kind,
 - only operates the rental object with qualified specialists,
 - assembles, dismantles and operates the rental object at its own expense. This also includes the provision of required operating materials,
 - takes appropriate measures to protect the rental object from damages and losses.
- (2) Without our prior written consent, the Lessee is not entitled to
- move the rental object to a place other than the contractually agreed construction site,
 - allow the use of the rental object by a third party or to transfer any rights from this contract to a third party,
 - make structural changes to the rental object (e.g. remove parts or attach additional parts). In the event of prior consent, the Lessee must obtain any necessary official permits for the work at its expense and observe all regulations. The changes must also be carried out at the expense of the Lessee and in technically flawless quality.

§ 16 Liability

Further claims of the Lessee than described in these GTCL, regardless of what legal ground, in particular claims arising from fault on contract conclusion, violation of contractual main and secondary obligations, reimbursement of expenses, tortious act and other tortious liability – shall be excluded; this shall apply in particular for claims arising from damages outside the lease, for claims arising from guarantee liability independent of negligence for initial defects in the rental object according to § 536 a section 1 alt. 1 German Civil Code (BGB), indirect damages and consequential damages as well as for the claim for compensation for lost profits; claims that do not result from the defective nature of the rental object are also covered by the exclusion of liability. All liability exclusions of the GTCL do not apply, insofar as it concerns damages from a culpable injury to life, body or health or a culpable violation of a cardinal obligation, i.e. of a duty whose fulfilment makes the proper execution of the contract possible in the first place and in whose compliance the contractual partner regularly trusts and may trust, or damages caused by intent or gross negligence. For pecuniary and property damage that has been caused by the breach of a cardinal obligation, our liability is limited to the damage typical of the contract that was foreseeable on conclusion of the contract if there is no intent or gross negligence on our part. The exclusion of liability does not apply in the cases in which liability is according to the product liability law. Likewise, the liability is not excluded in the event of the assumption of a guarantee, insofar as a breach of obligation that is currently covered by it triggers our liability.

§ 17 Ownership

No transfer of ownership to the Lessee is associated with the rental of the rental object. The Lessee supports us in all measures that are necessary to protect ownership in the country of use of the rental object, such as registration or certification of the property. As soon as a risk for the property occurs, the Lessee will inform us immediately. This applies in particular to dispositions by third parties or state measures.

§ 18 Force majeure

- (1) Force majeure is every event that was not foreseeable on conclusion of the contract, is outside the sphere of influence of the parties and that makes the fulfilment of contractual obligations impossible or unreasonably difficult. For example, the following events are deemed to be force majeure: strike, war, uprising, embargo, restrictions in energy consumption as well as natural disasters such as earthquakes, hurricanes or flooding. A case of force majeure also exists if the German Foreign Office issues a travel warning for the country or the region of the construction site.
- (2) If we are affected by force majeure in the fulfilment of our contractual obligations, we are entitled to suspend the fulfilment temporarily. During this period, the Lessee is exempt from the obligation to pay the rent.
- (3) If the event of force majeure lasts more than three months or if it is foreseeable that it will last more than three months, each party is entitled to terminate the contract in writing towards the other party.

§ 19 Early termination of the contract

- (1) We are entitled to declare extraordinary termination of the contract if the Lessee culpably breaches essential contractual obligations. This applies in particular if one of the following reasons exists:
 - the opening of insolvency proceedings is applied for concerning the assets of the Lessee,
 - without our prior written consent, the rental object is brought to a place other than the contractually agreed place of use of the rental object, or is used by someone other than the Lessee,
 - the Lessee neglects its obligations arising from § 10 and thereby jeopardises the leased property considerably.
- (2) Termination requires the written form.
- (3) If the contract is terminated prematurely, the Lessee is obliged to return the rental object immediately. If the Lessee does not return the rental object immediately, we are entitled to dismantle and fetch the rental object back. The Lessee shall bear the costs for this. The Lessee must make available to us the necessary access to the rental object.
- (4) If the Lessee does not return the rental object after the end of the contract, we will be entitled to demand the agreed rent for the duration of the detention as compensation. The assertion of further damages is not excluded.

§ 20 Business secrets

The Lessee agrees to keep confidential for an indefinite period of time all information that becomes available to it in connection with the business relationship with us about internal circumstances and processes of our customers, suppliers or subcontractors - both of a technical as well as commercial/economic nature - which is designated as confidential or are identifiable as business or trade secrets due to other circumstances, and not to record it - if this is not required for the attainment of the contractual purpose - or pass it on to third parties or to exploit it itself in any way. We reserve all of our copyrights and other proprietary rights.

§ 21 Place of performance, Place of jurisdiction and Applicable law

- (1) The place of fulfilment and place of performance is the place of dispatch.
- (2) Disputes arising from or in connection with the respective contracts with the Lessee will be decided by the ordinary courts. The court of jurisdiction is agreed as the jurisdiction responsible for the registered office of our company. However, we are entitled, at our discretion, to file action at any other competent court. Sentence 2 does not apply if the Lessee is a non-merchant.
- (3) With regard to all claims and rights from the respective contracts with the Lessee, solely German law shall apply. The conflict of law rules of international private law and the UN Convention on Contracts for the International Sale of Goods (CISG) are expressly excluded.

§ 22 Other provisions

- (1) In the event of contradictions between the GTCL and the concluded contracts, the contractual agreements shall prevail.
- (2) Without our written approval, the use of our name, our offers, deliveries, etc. for advertising purposes is not permitted.
- (3) Without our prior written permission, the Lessee may not assign rights from or in connection with the contract to third parties.
- (4) We are entitled to offset with all claims to which we or companies from our group of companies (STREICHER Group) are entitled, regardless of what type, vis-à-vis all claims of the Lessee that it is entitled towards us or towards companies of our group of companies, even with different due dates, if the affiliation with the group of companies was recognisable on conclusion of the contract.
- (5) The language of agreement and correspondence shall be German.
- (6) Side agreements, amendments or additions to the contract must be made in writing.
- (7) Should any individual provision of the GTCL be or become invalid or void in part or in their entirety, the remaining provisions shall remain unaffected thereby. The contractual partners rather commit themselves to agree on a provision that replaces the ineffective or void provision and that corresponds with its economic purpose to the greatest possible extent.