

GENERAL RENTAL TERMS AND CONDITIONS

These general rental terms and conditions (hereinafter referred to as the "GRTC") apply to the contractual relations established between BABCOCK WANSON and its customers for the rental of boilers and other equipment from the BABCOCK WANSON rental fleet.

ARTICLE 1 – DEFINITIONS

Contract: the contract relating to the Rented Equipment and the Services, concluded between the Parties under the conditions set forth by Article 2 below.

Hirer: the co-contractor of BABCOCK WANSON under the Contract.

Rented Equipment: the equipment, materials and other items identified by the Offer which are rented under the Contract.

Services: the services identified in the Offer to be performed under the Contract.

Offer: the quote sent by BABCOCK WANSON to the Hirer defining the special lease terms and conditions, including the type and number of equipment offered for rental, the associated services, the prices, periods, deadlines and other specific elements on the basis of which the Contract is proposed to the Hirer.

Partie(s): BABCOCK WANSON and/or the Hirer.

Site: The place of installation of the Rented Equipment at the Hirer's premises, where it will be used.

ARTICLE 2 – CONTRACT FORMATION AND DOCUMENTS**2.1 Contract formation**

The Contract is concluded when the Hirer accepts BABCOCK WANSON's offer by returning to BABCOCK WANSON the Offer, signed and initialed. If the Hirer's acceptance is accompanied by reservations, these will have no contractual value and will only be enforceable on BABCOCK WANSON if the latter has accepted them in writing.

Acceptance of the Offer entails unreserved acceptance of the GRTC.

The Contract is also formed and the Offer and the GRTC are irrevocably accepted by the Hirer without reservation if, in the absence of written acceptance of the Offer and associated documents, or in the event of acceptance with reservations, the Hirer authorizes BABCOCK WANSON to deliver the Rented Equipment to the Site.

2.2 Contractual documents

The contractual documents applicable to the Contract concluded between BABCOCK WANSON and the Hirer for the rental of the Rented Equipment and the provision of the Services are, in order of precedence:

- a) The Offer
- b) The GRTC
- c) If applicable, BABCOCK WANSON's General Terms and Conditions of Sale for the supply of materials and/or performance of work.
- d) If applicable, the Hirer's purchase order.

The Hirer's standard terms and conditions of any nature whatsoever, as well as the stipulations contained in the Hirer's invoices and other documents, shall not apply to the Contract unless expressly agreed by BABCOCK WANSON in writing in the Offer, or in an acknowledgement of receipt of an order.

ARTICLE 3 – MAKING THE EQUIPMENT AVAILABLE

3.1 The Rented Equipment will be delivered to the Site by BABCOCK WANSON. After delivery, an examination of the Rented Equipment will be carried out jointly by the Hirer and BABCOCK WANSON before commissioning, unless the Parties agree to retain, as an initial inventory of fixtures, the notified body prior inspection report.

The Hirer shall be responsible for appointing and paying the notified body in charge of inspecting the Rented Equipment before commissioning. BABCOCK WANSON shall be given a copy of this report by the Hirer.

3.2 BABCOCK WANSON will also remit the following documents to the Hirer:

- a copy of the most recent verification certificate,
- a manual containing operating and maintenance instructions.

3.3. Any services required for the installation and operation of the Rented Equipment which are not explicitly included in BABCOCK WANSON's scope under the Offer shall be the responsibility of the Hirer.

ARTICLE FOUR - PLACE OF OPERATION

The Rented Equipment will be operated at the Site whose address is specified in the Offer.

The Hirer undertakes not to transfer the Rented Equipment to any other place without BABCOCK WANSON's prior written consent.

ARTICLE FIVE – OWNERSHIP OF THE EQUIPMENT

The Rented Equipment will remain the sole and exclusive property of BABCOCK WANSON throughout the entire duration of the Contract and will bear a plate mentioning the fact that it is being rented.

Nonetheless, throughout the entire period for which the Rented Equipment is present at the Hirer's Site (and while it is in the custody of the carrier, where applicable), the legal and physical custody and risks pertaining to the Rented Equipment will be transferred to the Hirer.

The Hirer undertakes not to grant to any third party whatsoever any rights in respect of the Rented Equipment. The Hirer undertakes in particular not to lend, sub-rental, pledge or transfer it, either free of charge or in return for a consideration.

The Hirer will become and remain the "operator" within the meaning of the local law applicable to the operation of pressurized equipment (in France: decree of November 20th, 2017), until such time as the Rented Equipment has been returned to BABCOCK WANSON.

ARTICLE SIX – FINANCIAL TERMS

6.1 Provisions relating to rent payments for the Rented Equipment

6.1.1 Payment of the rent

The Hirer must pay each rent by bank transfer, monthly and in advance, on the 1st of each month. Payment for any commenced month is due in full.

However, if the Hirer has chosen to rent the Equipment by the week, it must pay each rent payment by bank transfer weekly and in advance, on the Friday of the previous week. Payment for any commenced week is due in full.

Any rent not paid on the due payment date will ipso jure bear penalty interest equal to the legal rate of interest in force in France increased by 3 points, without this clause affecting the due-for-payment status of the rent payment and application of Article 12 of the GRTC.

6.1.2 Revision of the rent amount due

Where applicable, the rent will be revised every three months according to the rental value of equipment with identical or similar characteristics, but without exceeding the variation in the quarterly sales price index for thermal equipment applicable in France. For each revision, the first base index will be the last known index at the date of conclusion of the Contract, and the comparison index will be the last known index at the revision date.

Revision formula: $P = P_0 (ICHTIME / ICHTIME_0)$

Mo Index = ICHTTS (mechanical and electrical industries hourly cost in France)

ICHTIME = base index known at the date on which the Contract was concluded (specify the month and year retained in the Contract).

Comparison index

ICHTIME₀ = index known at the date of revision (renewal).

P = Revised amount of each rent amount

P₀ = Base amount of each rent amount at the time of the conclusion of the Contract the date of revision.

6.1.3 Guarantee deposit

In order to guarantee BABCOCK WANSON the proper performance of Hirer's obligations such as the payment of any sums that the Hirer may owe to BABCOCK WANSON, the Hirer shall remit to BABCOCK WANSON on the date of conclusion of the Contract and in any event no later than the date of delivery of the Rented Equipment to the Site:

- either a deposit cheque for an amount equal to 20% of the Contract price excluding VAT, with a minimum of €4000 excluding VAT, which must be renewed before the anniversary date of the Contract if the rental period exceeds one year,
- or an irrevocable guarantee issued by a bank known to be solvent, for an amount equal to 20% of the Contract amount excluding VAT with a minimum of €4000 excluding VAT, payable without delay at the first request of BABCOCK WANSON with no other condition than receipt by the bank of a registered letter with acknowledgement of receipt requesting that the guarantee be invoked.

If this Contract is cancelled further to non-performance by the Hirer of any of its contractual obligations, the amount of the deposit/guarantee will become the property of BABCOCK WANSON by way of indemnity, without prejudice to compensation for any damages suffered by BABCOCK WANSON as a result of the Hirer's default and right of Contract termination by BABCOCK WANSON.

6.2 Invoicing the services and payment for them

The price of the Services shall be invoiced on their completion (on delivery in the case of the supply of consumables). Payment will be due within 30 days of the issue date of each invoice and must be made by bank transfer to the bank account indicated on the invoice.

ARTICLE SEVEN - TERM

7.1 Term of the rental

- 7.1.1 The starting point for the term of the rent, on the basis of which the rent payments due will be determined, is set at the date on which the Rented Equipment is delivered to the Site by BABCOCK WANSON (or the date of its being handed to the Hirer's carrier, if the latter is responsible for its transport).
- 7.1.2 The rental period ends on the day on which the Rented Equipment, disconnected, is made available to BABCOCK WANSON, provided BABCOCK WANSON has received notification of this availability within the time limits specified in article 7.1.3. Otherwise, or if the Hirer is in charge of the return transport: the rental shall end when BABCOCK WANSON is effectively in possession of the Rented Equipment.
- 7.1.3 The Hirer must end the lease by notifying BABCOCK WANSON in writing of the date on which the Rented Equipment will be available, providing advance notice: (a) of at least eight (8) days before the Contract's due expiry date if it has a set duration, (b) of at least thirty (30) days if the Contract is of indefinite duration.

In the absence of written notification from the Hirer, the lease will continue on the same terms and conditions. If the Contract is for a set period, it will then automatically change to a contract of indefinite duration. Notification will have been validly given when BABCOCK WANSON has acknowledged receipt thereof.

7.2 Term of the Contract

The Contract will come into force on the date of its formation in accordance with above Article 2.1 and will end when the Parties have fulfilled all their obligations.

ARTICLE EIGHT – THE HIRER’S SPECIFIC OBLIGATIONS

8.1 Enjoyment

8.1.1 Use

The Hirer must use the Rented Equipment solely for its intended use. The Rented Equipment will be entrusted solely to qualified personnel.

The Hirer may not make any transformation or modification to the Rented Equipment and must in all points comply with the operating instructions stipulated in the operating and maintenance guide.

8.1.2 Water treatment

The Hirer must protect the equipment from lime scale and corrosion by treating the feed water for the boiler using an appropriate installation and suitable products. If a compliant water treatment installation is not already in service at the Site, the Hirer will order one to be installed, at its expense, by any qualified firm of its choosing, including in particular BABCOCK WANSON.

It is mandatory that water quality prescriptions, corresponding to NFE 32120 and to indications of the operating guide, be rigorously complied with. The Hirer is responsible to order the supply of conditioning products suitable for the Leased Equipment, as well as the water quality monitoring service, at its own expense, from any qualified company of its choice, including in particular BABCOCK WANSON.

The Tenant shall ensure that the quality of the water is duly compliant as often as specified in the relevant operating instructions.

8.1.3 Fuel

The Hirer must only use the quality of fuel specified in the Offer.

8.1.4 Protection

If the Rented Equipment has to be installed outside, the Hirer must protect it in an appropriate manner against adverse weather conditions. In particular the burners, motors and electrical cabinets must be protected, unless the Rented Equipment is already designed for outdoor use.

Moreover, where applicable, if during the winter period for extended periods of time the Rented Equipment is not in service, the Hirer must ensure that it is protected from freezing.

8.2 Maintenance - Repairs

Throughout the entire term of the lease, the Hirer must service and maintain the Rented Equipment and keep it in good working order, in a good state of repair and maintenance, unless the Hirer has opted for a maintenance contract with BABCOCK WANSON.

In order to verify the satisfactory performance of this obligation, BABCOCK WANSON must be able to visit the Site and check the Rented Equipment whenever it considers this to be appropriate. If, on the occasion of a visit, BABCOCK WANSON finds that the Hirer has failed to comply with this obligation, it reserves the right to carry out all necessary repairs and maintenance work at the Hirer's expense, and if necessary, supply the requisite spare parts.

All work carried out by BABCOCK WANSON's employees or agents will be invoiced to the Hirer under the usual conditions applicable at the date of the intervention if the work was necessary in order to remedy misuse or defective maintenance attributable to the Hirer.

The Hirer must inform BABCOCK WANSON of any deterioration or impairment of the Rented Equipment and will be liable for any deterioration resulting from misuse attributable either to it or to a third party while the Rented Equipment is in its custody and being used at its risks.

8.3 Maintenance register and boiler room logbook

Throughout the entire term of the rent, the Hirer must duly keep the maintenance register and the boiler room logbook.

8.4 Transfer or pledging of business

In the event of assignment or pledge of its business, the Hirer shall take all necessary steps to ensure that the Rented Equipment is excluded from the assignment or pledge and shall inform the assignee or creditor in advance of BABCOCK WANSON's right to such Equipment.

It is hereby specified that the transfer by the Hirer of its business shall entail, at the sole discretion of BABCOCK WANSON, either termination of this Contract or the drawing up of a new rental contract with the transferee.

8.5 Seizure

If the equipment comes to be seized, the Hirer must immediately inform BABCOCK WANSON of this and take all appropriate measures to have it released from seizure.

ARTICLE NINE – LIABILITY

9.1 The Rented Equipment and the duration of the lease (Article 7) are chosen by the Hirer on its sole responsibility.

The Hirer cannot therefore claim any reduction in the lease payments or the payment of any indemnity whatsoever in the event of the non-use of the Rented Equipment for any reason, in particular in the event of its not meeting the Hirer's requirements.

- 9.2** If, for reasons exclusively attributable to BABCOCK WANSON, the Rented Equipment is not in working order at the time of its commissioning or subsequently, and/or if it is not compliant with the applicable legislation and regulations in force, BABCOCK WANSON may (i) either substitute for the Rented Equipment other equipment with similar characteristics, (ii) or terminate the Contract by right, refunding to the Hirer any rent payments already paid for the period of unavailability of the Rented Equipment, where applicable, to the exclusion in either case of any other indemnification.
- 9.3** **The liability incurred by BABCOCK WANSON under this Contract, whether in respect of the Rented Equipment or the Services, is strictly limited to the obligations defined by the Contract's provisions.**

In no event shall BABCOCK WANSON be liable for indirect and/or consequential damages such as but not limited to loss of production, loss of business, loss of profits, caused to the Hirer or to third parties.

The total aggregate liability assumed by BABCOCK WANSON under the Contract, all causes combined, is strictly limited to 100% of the total amount exclusive of tax of the sums received by BABCOCK WANSON under this Contract in respect of rent and Services.

The Hirer and its insurers waive all recourse against BABCOCK WANSON and its insurers beyond these limits and exclusions.

- 9.4** The Hirer will be liable throughout the entire term of the rent for any damage that may be caused by the Rented Equipment. The Hirer will hold BABCOCK WANSON harmless and keep BABCOCK WANSON indemnified in respect of any claims made by third parties that originated in the Hirer's custody and use of the Rented Equipment. The Hirer will also be liable for any damage caused to the Rented Equipment under the conditions specified in Article 10 hereinafter.

ARTICLE TEN – DAMAGE TO THE RENTED EQUIPMENT

Throughout the whole term of the rent as defined in Article 7.1 above, the Hirer will be responsible for the consequences of any partial or total damage to or loss of the Rented Equipment, regardless of the cause, even if it is due to an Act of God.

In the event of total loss of the Rented Equipment, the Hirer must pay BABCOCK WANSON compensation equal to the "as new" value of the Rented Equipment.

The Hirer may, however, partly meet these obligations by taking up the option "Warranty concerning the Rented Equipment" at the time of accepting the Offer.

10.1 If the Hirer chose to take up the "Warranty for the Rented Equipment" option

If the Hirer subscribes to the "Rented Equipment Warranty", BABCOCK WANSON will, at its own expense, repair or replace the Rented Equipment in the event of damage to this equipment caused by:

- Fire, explosion, lightning, aircraft crashes, impact by land vehicles, flood, hail, storms, attacks (including acts of terrorism and sabotage), natural disasters;
- Frost (provided the boiler is installed and operated in accordance with BABCOCK WANSON recommendations);
- Machine breakdown (breakage, deformation, cracking of equipment resulting from internal or external causes that are accidental, sudden and unforeseeable);
- Theft (provided that the site has been adequately secured, and that the theft is not committed by the Hirer himself).

Are excluded from the Rented Equipment Warranty damages resulting from fault or negligence on the part of the Hirer or of its contractors, and in particular the Hirer's failure to comply with the obligations set forth by the Contract and/or with the instructions of the documents supplied by BABCOCK WANSON for the operation and maintenance of the Rented Equipment.

Also excluded are refractories, considered as wear parts, as well as damages resulting directly or indirectly from corrosion or the presence of scale in the Rented Equipment, unless the treatment of the feed water and its monitoring have been entrusted to BABCOCK WANSON.

10.2 If the Hirer has not taken up the "Warranty for the Rented Equipment" option

The Hirer shall be responsible for repairing or replacing the damaged or lost Rented Equipment, bearing all the costs thereof.

10.3 Provisions applicable in the event of a claim

In the event of loss or damage to the Rental Equipment, regardless of the option chosen by the Hirer, the Hirer shall immediately take all necessary measures to limit the extent of the loss or damage and to safeguard the Rental Equipment, in particular by preventing further damage.

The Hirer shall inform BABCOCK WANSON in writing of any loss affecting the Rented Equipment within twenty-four hours in the case of theft, and within 48 hours in all other cases. In the case of theft or vandalism, a report must be drawn up by a police authority as soon as the event is discovered and a copy sent immediately to BABCOCK WANSON.

The information given by the Hirer shall include the date and circumstances of the loss, its known or presumed causes, and the nature of the damage.

The Hirer shall provide BABCOCK WANSON, at its first request, with all documents enabling the causes of the loss to be determined, such as operating records, daily water treatment reports, etc.

The Hirer shall bear all consequences resulting from non-compliance with the present provisions.

ARTICLE ELEVEN – INSURANCE

- 11.1** The Hirer shall insure against the pecuniary consequences of its liability to third parties, for sufficient amounts and with a company known to be solvent. This insurance policy must provide adequate cover in respect of any bodily injury or death, damage or loss to property, consequential damages, environmental damages, that the Hirer might potentially cause to third parties (including BABCOCK WANSON), in connection with the performance of the Contract.
- 11.2** The Hirer must insure the Rented Equipment for adequate sums with a fully reputable insurance company, to provide cover against risks of fire, explosion, water damage, machine breakdown at the very minimum. This insurance shall cover damage or loss resulting from the Hirer's fault, whether or not the option referred to in article 10.1 has been taken out, as well as all other cases of damage or loss if this option has not been taken out by the Tenant. It must include a waiver of recourse in favor of BABCOCK WANSON.
- 11.3** Throughout the whole term of the Contract, the Hirer must be in a position to prove that it has taken out the insurance provided for in above Articles 11.1 and 11.2 at BABCOCK WANSON's first request, and provide proof of having paid the corresponding premiums.

In the event of a claim, the Hirer shall inform BABCOCK WANSON in accordance with article 10.3 above and its insurance company within the period prescribed by the latter.

ARTICLE TWELVE – TERMINATION

- 12.1** Should the Hirer fail to fulfil any one of its obligations stemming from the Contract, in particular in the event of its failing to pay any rent payment on the due date, BABCOCK WANSON may cancel the Contract without any judicial formalities, one month after having sent it formal notification concerning fulfilment of the obligation in question by means of a recorded delivery letter with return receipt, where this demand has been without effect.

In this case, the amount given by way of a surety will become the property of BABCOCK WANSON, as provided for in Article 6.1.3.

No tolerance or latitude concerning compliance with the clauses and conditions of the Contract, regardless of its frequency or length, can be considered to represent BABCOCK WANSON's renunciation of the possibility of enforcing the said clauses and conditions.

- 12.2** If the Hirer wishes to terminate the Contract before its expiry without due cause, it must advise BABCOCK WANSON to that effect in writing at least 20 days minimum before the proposed ending of the leasing of the equipment. Unless the Offer provides different conditions, the Hirer shall pay an indemnity amounting to 25% of the outstanding rent payments until the contractually agreed term of the Contract (termination indemnity), and pay as well for any associated Services provided (transport, uploading, disconnection, etc.).

ARTICLE THIRTEEN – EXPIRY OF THE CONTRACT**13.1 Causes**

The Contract will come to an end in the cases already considered in Articles 8.4 and Article 12 or when it reaches term.

13.2 Effects

- a) At the end of the Contract or in the event of termination for any reason whatsoever, the Hirer shall return the Rented Equipment in a good state of maintenance and working order, the parts comprising it having only undergone the wear and tear resulting from normal use.

The Hirer shall also return to BABCOCK WANSON all documents given to him when the equipment was made available.

- b) The Rented Equipment will be collected by BABCOCK WANSON on the date of handover if the Contract includes the “return transport” Service. Otherwise, it will be returned at the Hirer's expense to the location indicated by BABCOCK WANSON. The Rented Equipment will be examined by both parties (i) either upon arrival at the workshops designated by BABCOCK WANSON if the Hirer provides return transport, (ii) or prior to departure from the Site, which examination may be completed by a more in-depth inspection at BABCOCK WANSON's workshops.

- c) The Hirer hereby undertakes to pay BABCOCK WANSON the cost of any repairs that may be necessary following these examinations, unless the Hirer establishes that the damage is attributable to BABCOCK WANSON.

ARTICLE FOURTEEN – APPLICABLE LAW - JURISDICTION

The Contract is ruled by French Law.

Any dispute that may arise out of or in connection with the interpretation and/or performance of the Contract will come within the exclusive jurisdiction of Courts of Agen (France).

ARTICLE FIFTEEN - ELECTION OF DOMICILE

For the performance of this Contract, BABCOCK WANSON and the Hirer elect domicile at their respective registered offices.