

# Terms and Conditions

## §1 Quotation and Conclusion of a Contract

1. The purchase order is only effective as accepted it is written confirmed. Until then the quotation of the supplier is without obligation. Telegraphic, telephonic or verbal supplements or sub-agreements need to become efficiency by written confirmation of the supplier too.
2. The supplier reserves his property and rights for all documents of the quotation..
3. Quotations are our property and it is not allowed to open to third parties especially plant approaches and manufacturing proposals
4. The order based exclusively on the acceptance of suppliers quotation under exclusion of the terms and conditions add by the purchaser.

## §2 Scope of delivery obligation

1. Dimensions, weights, illustrations and drawings are only binding for the design, if it is expressly written confirmed. Gross weight and dimensions of cases are approximate stated to the best of our knowledge, but without obligation. The output specifications, e.g. cycle time, be based on technical and economic experience figures. They only are valid, if the material to be processed conforms to the mentioned or sample material. Detail drawings belongs not to the delivery volume.
2. For electronic accessories (motors etc.) conditions of the central association of the electronic industry are valid and for the performance the set rules of the association of German electrical engineers

## §3 Price

1. The prices are to be understood for delivery ex factory, packing excluded, shipment, re-acceptance test and acceptance test, exclusive assembly and commissioning and other extra charges, uninsured and untaxed, exclusive any customs duty, plus the valid value-added tax, as far as not differently agreed

## §4 Terms of Payment

1. The prices will be charged in € (Euro).
2. Payment to be made cash without any deduction free paying agent of the supplier, namely 30 % immediately after order, 60 % when ready for shipment, 10 % by acceptance test, at the latest 14 days after date of invoice.
3. Another method of payment varies the price formation.

4. Acceptance of drafts and cheques be made only on account of payment; charges for discounting and collection are for the account of the purchaser.

5. If extended the term of payment or payment will be made later than agreed, for the interim interest of 4 % higher than the valid discount rate of the German National Bank will be charged, without need of a formal notice of default.

6. Unimportant fault, which does not affect the function, does not entitle a cut of payment, as well as a perhaps later delivery of the operating manual and documentation or parts from these. Restraining payment is not allowed in any case

## **§5 Time of Delivery, Acceptance**

1. Time of delivery starts as soon as all details in respect of the performance are clarified and both parties are in agreement with all conditions and refers to completion in our factory. Observance of time of delivery presumed the performance of the contractual obligation of the purchaser, especially of the stipulated terms of payment. Unforeseen circumstances, which are outside the will of the supplier, e.g. stoppage, strike, lock-out, inside the own factory or in the factory of the subcontractor, extended the delivery time reasonable namely also then if it take place during delayed delivery. The same take place, if official or other approvals from third parties, documents or necessary details from purchaser, which are necessary for completion of delivery, arrive not timely, as well as subsequent alteration is required.

2. Partial delivery is allowed.

3. If the purchaser withdraw after dispatch of the acknowledgement of order, charges which incurred until the time of knowledge are to be compensated to the supplier.

4. If the purchaser does not accept the merchandise, he comes into default in acceptance. The merchandise will be stored at a place, determined by the purchaser, for his account and risk

5. If the purchaser starts up the delivered product, it applies as accepted.

6. The delivery time is kept, if the merchandise has left the plant of the supplier till the expiration of the delivery time or report of readiness of dispatch.

## **§6 Passing of Risk**

1. The risk devolves upon the purchaser with shipping the merchandise from the plant of the supplier, also than, if carriage free delivery has been agreed. Is there any delay because a fault of the purchaser, the risk devolves upon the purchaser at the date of report of readiness

2. Insurance against damage in transit be made only on request and for the account of the purchaser.

## **§7 Responsibility for fault of the instalment (Guarantee)**

1. For faults of the instalment the supplier held responsible only in such a way, that he has to repair or to deliver new free of charge as per his choice all these parts, which become useless during 12 months after the date of delivery in one-shift operation. The faults are to indicated immediately by writing to the supplier and to send the corresponding parts to him on request. Condition to take responsibility for are faulty class of construction or defective quality. For material defects the supplier be hold responsible only pro tanto as he had to recognize the defect by using expert care. Condition for nay responsibility of the supplier is the prove, that the delivered object has been operated by trained personnel according to the operating manual, all information has been observed and especially maintenance carried out.

For essential purchased equipment containing the delivery the responsibility of the supplier confined to the assignment of the claim of warranty which is entitled to the sub-supplier. For this delivery as well as for own delivery the supplier is only responsible by not-disclosure of conditions of liability to the sub-supplier, in spite of request of the purchaser.

2. No responsibility will be taken for damages as a result of natural wear and tear. (wearing part). No guarantee will be accepted for effects of chemical, electro-chemical, climatic or electric influences. If using operating material, knives etc. from thirds the supplier cannot take on any guarantee for accuracy or output etc.

3. For making all alteration which seems necessary to the supplier as well as for deliver spare parts or a spare machine the purchaser must allow free of charge the necessary time and opportunity to the supplier to make available assistant if required.

4. The accruing costs are for the account of the supplier, if the objection turned out as to be legitimate, otherwise the purchaser

5. The purchaser don't guarantee, if the repair of spare part performance by arbitrary overhauling work done by the purchaser or if it will be complicated by him.

6. As an fault in sense of delivery terms also missing of assured characteristics are considered

7. Beyond the abovementioned conditions each further claim against the supplier is excluded – except in case of gross fault – as e.g. rescission, reduction of reimbursement, compensation in damage etc. This exclusion comprises especially also compensation for claims, breakdown and all other claims, which direct or consequential are connected with the supplies and benefits of the supplier, as well as indemnification because of nonexecution, delay or product liability.

8. Condition for the responsibility of the supplier is to prove that the delivered article has been correct operated as per operating instructions and the prescribed maintenance has been done periodical.

## **§8 Right of withdrawal for the purchaser**

1. The purchaser has a right of withdrawal if the supplier let fruitless pass an reasonable additional respite submitted to him, for the elimination of an defect, for which he is responsible, or if maintenance and repair work or collection of an applicable replacement part is impossible, or if elimination of an defect, which can be proved against the supplier, will be refused by him.

## **§9 Right of withdrawal for the supplier**

1. If the supplier get to know about unfavourable asset-situation after contracting, he is allowed to request guaranty for the consideration or back out of the contract under charging the expenditure which he has had.

## **§10 Place of performance and venue**

1. The industrial plant is place of performance for delivery and payment (Remscheid).
2. For all disputes, resulting from the contractual relationship, also by draft-complained, the complained is to be brought to the competent domicile for the principal establishment of the supplier. The supplier is also entitled to sue at the head office of the purchaser.
3. For interpretation only German Law is authoritative.

## **§11 Reservation of title**

1. The goods remains as the property of the supplier until performance of all titles which he has against the purchaser from the supply contract. Before pawning or security transfer is forbidden and resale is only allowed for reseller in the common errand. This also applies to if build in or process, by fixed connection with ground or building, this connection does not happen temporary. The claims of the purchaser from resale of the goods will be already now assigned as a security to him for the requirement of this business.
2. The seller is entitled to ensure the delivered object against fire-, water- and other damages, for the account of the purchaser, unless the purchaser has covered the insurance as can be proved
3. In case of distraint of property by thirds the supplier must be informed immediately. Any costs of interventions are for the account of the purchaser.
4. Enforcement of the reservation of title as well as the distraint of property of the delivered project by the supplier does not apply as an withdrawal from the contract. Requirements against thirds from resale or processing of the consignment herewith will be transferred in advance to the purchaser in the height of the value of the supply and the performance of the supplier. By a global assignment of his trade receivables the purchaser declared the trade receivables of the supplier herewith expressly as accepted.
5. It's up to the supplier to reach further agreements in isolated case with the purchaser in respect of reservation of title.

## **§12 Liability of the Contract**

1. By a gap in the contract and/or if some points of the conditions are ineffective the contract remains authoritative. For interpretation only German Law is authoritative. For the ineffective clauses effective clauses are to be laid down in a willing economic sense.
2. These conditions are accepted by placing the order as well as the acceptance of the supply. Terms and conditions of the purchaser will be accepted, as far as these does not conflict those of the supplier, otherwise terms and conditions of the supplier are valid. The laws for international purchase of moveable goods and for the completion of international contracts of sale for moveable goods does not apply.

## **TECHNICAL CONDITIONS OF THE QUOTATION**

The completion of the installations and machines comply with actual state of the supplier, design modifications can affect time of delivery and costs.

## **SPECIAL CONDITIONS FOR DELIVERY WITH INSTALLATION:**

- a. For each installation the expenditure for labour and termination payment, arise for the suppliers, are to be refund, especially too for overtime, work on Sunday and Public Holiday. Travel time and waiting time apply as working time. Charges for journey there and return by second-class train, by travelling at night and abroad first-class and for the transportation of the luggage and of the tools are to be paid by the purchaser.
- b. All structural work must be ready before starting the installation so far, that installation can be started immediately after delivery and can be carried out without interruption. The foundation must be complete dry and set and the rooms, where installation will be made, must be sufficient protected against influence of the weather, well lighted and sufficient heated.
- c. For storing the machine parts, materials, tools etc. the purchaser must make available a dry, lighted and lockable room, which is under supervision and guarding.
- d. The purchaser had to take over and place available for his account in time:
  1. Assistant Crew and skilled worker in a number as the suppliers thinks are necessary,
  2. Devices and required materials necessary for installation and starting, ,
  3. Unloading the railcar and transportation of the goods from the railcar or ship to the place of installation,
  4. Transportation of taken delivery parts are purchasers risk.

Afterwards, in parts the Guarantee Conditions from our supply industry (electric installation and control system):

"By complaints within the guarantee service by us will be ensured pro tanto that equipment or installation of bigger volumes these will be repaired on the spot. Failed components (no wearing parts) will be replaced free of charge, the arising charges for travel allowance and compensation are for the account of the purchaser."

Explanation: The mounting time for repair the defects in customer's plant will not be charged!

1) We propose, in case of order to arrange an pre-acceptance test of the machines in our plant before shipment. For this pre-acceptance test material of the customer should be used in any case.

2) Unless this pre-acceptance test is not required, we ask for material in representative execution and quantity, in respect of thickness, surface, viscosity etc. at the latest 4 weeks prior to shipment unsolicited carriage- and charge-free, enabling a final inspection near to praxis as possible.

3) Machines or arrangements which are fitted with an synchronisation control system, must be connected and adjusted by our mechanic specialist and electronic engineer at all events.

The arising cost will be charged according to the respective valid charges.

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