

**Additional terms and conditions for purchasing
machines, plants and assembly services
of the KAMAX Group**

1. As a supplement to the KAMAX Purchasing Terms and Conditions, the contractor shall check any and all information and documents provided by us for plausibility and to identify error, to correct these in agreement with us and to immediately request any possible information and documents missing. The contractor shall only be entitled to cite lacking information and documents to be supplied by us, if he has requested these in due time in writing and has reminded us at least once in writing to submit such missing information and documents.
2. Prior to commencing production, all production documents, such as e.g. drawings, shall be submitted to us for inspection or release.
3. All documents to be supplied shall comply with the requirements as specified in the technical specifications and pertinent regulations and standards including our in-house standards which have been made known to the contractor. The documents shall be supplied on data carriers in the agreed number, in German or in the official language of the country in which the machine is to be put into operation and/or is to be operated in. Copies in other languages shall be agreed upon separately.

Without any special agreement, assembly and operating instructions shall be additionally supplied in German, if required, documenting all mechanical handling steps of the delivery item. In addition thereto, all documents required by us for repairing, maintaining and servicing the delivery item shall be supplied additionally.

4. Subject to explicit regulations to the contrary vested in the product specifications, elements and parts of the delivery items shall be designed and arranged pursuant to the latest state-of-the-art in science and technology at all times so that these can be easily maintained, inspected, repaired and replaced within a very short space of time. Parts subject to wear shall be designed and arranged in such a manner to ensure that they have a maximum service life pursuant to the conditions of use expected in compliance with the agreement.
5. With the technical specifications, a binding time schedule is specified for the contractor. If the time schedule is missing in the technical specifications, the contractor shall immediately present a production plan on conclusion of the agreement which shall document the production progress per calendar week. In addition thereto, the contractor shall automatically inform us of the production progress once every four weeks.
6. In all cases, we shall be authorised to visit the production facilities of the contractor within the normal business hours after announcing our visit in due time, and of those of his subcontractor whom the contractor shall in so far contractually commit, in order to inspect the production progress of the delivery item. In this respect, the contractor shall be obliged to, in particular, disclose any and all necessary information to us.

7. If it is necessary for us to make any advance payments, these shall be explicitly agreed upon in writing. The advance payments shall be effected in trust and for the exclusive, indirect and direct use within the scope of fulfilling the contractual obligations as vested in this agreement. In all cases, every obligation to effect an advance payment shall be subject to the condition that the contractor presents an unlimited on-demand guarantee to us in order to protect our repayment claims issued by an officially acknowledged credit institute in which this institute commits itself accordingly waiving the offences of contest and set off or under the condition that the contractor presents another comparable security.
8. If assembly has been agreed upon by contract, this shall also encompass any and all ancillary services, such as e.g. provision of the scaffolding, equipment, hoisting devices, tools etc. required. In so far as support on our part has been agreed upon, such shall be principally offered against payment, and the costs for these shall be charged to the contractor.

As far as schedules have not been specified in the technical specifications, the contractor shall coordinate schedules for assembly operations in due time in advance with KAMAX Project Management. Prior to commencing any assembly tasks, the contractor shall inspect the foundations and connections as well as all other relevant circumstances relating to a correct assembly in order to ensure that these are suitable and shall then inform KAMAX Project Management.

The contractor shall keep us informed and up to date in an appropriate manner with regard to which persons have been appointed with the assembly tasks at our production facilities. In the event of an important reason being given, we shall be entitled to reject employees or agents of the contractor. The contractor shall then, in such a case, immediately ensure a reliable replacement of such persons. Our written approval is required for if sub-contractors are to be involved.

Tasks to be performed within our production facilities must not impede operation. If impediments are unavoidable, such shall be limited to the minimum possible scope.

We are authorised to control all objects which are taken into or removed from our production facilities. The contractor shall submit lists in which the objects are documented at the delivery and return delivery. Objects which remain property of the contractor must be designated as such and shall feature the logo of the company or of the contractor. The contractor is responsible for any property of the contractor located in the production facilities, we shall not take over any protective duties, such as safeguarding, storage or observation requirements.

Water, compressed air and electricity shall be provided by us at the existing connections. As far as additional lines and connections are required, the contractor shall have these installed and shall take over the costs and risk thereof and shall maintain these. At the end of the assembly tasks, the contractor shall also remove these.

In all cases we shall be informed of any tasks representing a fire hazard prior to their commencement. If no other terms have been agreed upon in writing, the contractor shall be responsible for a fireguard during and after termination of the operations representing a fire hazard.

9. Subject to special regulations vested in the technical specifications, prior to delivery, we shall be authorised to demand a pre-inspection at the contractor's premises with functional test, and in the case of tool machines also a geometric test in accordance with DIN ISO 230-1, a test in accordance with VDI/DGQ 3441 (static inspection of operational and positioning accuracy), and also in accordance with DIN 45635 (noise level measurement). The date of the pre-inspection shall be proposed to us by the contractor in due time, however at least 4 weeks in advance, and shall be coordinated with us. At the latest one week prior to pre-inspection, all documents required for the pre-inspection shall be made available to us by the contractor. The contractor shall provide all tools, fixtures, materials and own staff required for performing the pre-inspection free of charge.

In any case, an inspection of the production output of the delivery item (final acceptance) shall be agreed upon separately.

10. Acceptance of the delivery item shall be specified in the technical specifications. If such regulations are missing in the technical specifications, then the following shall be deemed to apply:

the delivery item shall be subjected to a function test at our production facilities or - if agreed upon - to a test operation. Not only in the function test, but also in test operation, our staff shall be duly instructed by the contractor and a trouble-free four-week operation under serial conditions shall take place. Within the scope thereof, it shall be ascertained whether the delivery item complies with the contractually agreed services. During the function test or during test operation we shall be authorised to use the machine for production. After a successful execution of the function test or test operation, the machine shall be accepted. We shall prepare an acceptance protocol documenting acceptance, which shall be signed by the contractor and by us.

11. Pre-acceptance, function test, test operation and acceptance shall always be performed at the expense and risk of the contractor, whereby the contractor shall provide suitable test and measuring equipment as well as provide sufficient monitoring staff, if necessary. Operating staff and material to perform the function test or test operation shall be provided by us.

If it is necessary to interrupt, extend or repeat the pre-acceptance, function test, test operation or acceptance for reasons which have to be justified by the contractor, in such a case all costs and disadvantages resulting therefrom shall be borne by the contractor.

12. If nothing to the contrary is explicitly agreed upon in writing, all deliveries shall be performed as DDP (Incoterms 2010) at the delivery site specified in the contract documents.
13. As far as operation of the delivery item requires an official approval, the contractor shall bear the costs for procuring such an approval and shall render proof thereof to us.



14. As far as no other term is explicitly agreed upon in writing, the period of limitation for claims resulting from material and legal deficits shall amount to 36 months as of acceptance of the delivery item, unless a longer period of limitation is specified by law.

The period of limitation for spare parts shall be 24 months calculated as of the date of initialisation thereof, at the most, however, 36 months as of receipt of the spare parts at our premises.

15. For a period of 10 years calculated as of the date of acceptance, the supplier shall be obliged to offer spare parts at appropriate market conditions and to perform repair operations. Deliveries of spare parts and repair operations shall be performed on the basis of the conditions agreed upon for the original delivery.

16. For the rest our KAMAX Purchasing Terms and Conditions shall be deemed to apply.

KAMAX Group