

Sales and Delivery Conditions

As of: March 12, 2019

I. General

1. The following conditions apply to our services in the event that no other agreements have been expressly made in writing.
2. All agreements, including agreements made with our representatives or salaried sales staff, are only valid once they have been confirmed by us in writing.
3. Any potential purchaser's terms and conditions are hereby rejected. We are not bound by these even where they are not expressly referred to at some point during contract conclusion. Our conditions shall be considered as acknowledged upon acceptance of our goods at the latest.

II. Quote, price and payment

1. All quotations are considered as non-binding up to final order confirmation insofar as they are not expressly marked otherwise. Quotations for goods in stock are made subject to prior sale of the goods.
2. In the event that changes occur in the pricing basis up until the day of delivery, we reserve the right to make an appropriate adjustment to the prices, limited to the additional costs incurred by us. For orders where no prices are agreed our valid prices on the day of delivery shall apply.
3. All prices are understood as being ex works without packaging.
4. Insofar as nothing has been agreed to the contrary payments must be made net cash within 30 days from date of invoice, and in fact must be made independently of any potential notifications of defects and to the exclusion of any right of retention or offsetting, unless it concerns undisputed outstanding payment claims or those established by court of law.
5. If the payment target date is exceeded we shall be entitled to demand late payment interest of 5 percent above the basic interest rate according to § 247 Paragraph I of the Civil Code.
6. There shall be no interest paid on advance or instalment payments.
7. We reserve the right to request information about the financial circumstances of the purchaser. If the purchaser does not submit any information to the company Creditreform or the company D&B or if this information brings to light that the purchaser's financial circumstances give cause for concern we reserve the right to call for a change to the payment terms and ask for advance payment or adequate securities for the invoice amounts, without this giving

the purchaser any entitlement to right of withdrawal. If our requests are not satisfied we shall be free to withdraw from the contract without the purchaser acquiring any entitlement to compensation on account of non-fulfilment.

III. Delivery time, scope of supply

1. The delivery term will begin from dispatch of the order confirmation, but not before the purchaser has provided all procurement documents, licences, approvals, and not before an agreed deposit has been received.
2. The delivery term has been complied with if, by the time it expires, the item of delivery has left the works, notification of being ready for shipment has been made, or the item of delivery has been made available for acceptance.
3. The delivery term shall be extended appropriately in the event of *force majeure* and if other unforeseen hindrances occur which are not caused by us insofar as such hindrances can be proved to have a significant influence on the manufacture or supply of the item of delivery. In significant cases we will inform the purchaser of the beginning and end of this type of hindrance as soon as possible.
4. Adherence to the delivery term is subject to fulfilment of contract obligations by the purchaser.
5. Our written order confirmation shall be valid for the scope of delivery. Additional agreements and amendments require our written confirmation.
6. If specific instructions for shipping were not given in the order the goods will be dispatched at our discretion without any obligation to use the cheapest freight method. Shipping will be done as soon as possible after the goods are ready.
7. When the type of goods makes it necessary, packaging will be charged at cost.
8. Risk transfers to the purchaser upon shipping of the delivery items at the latest, even when partial deliveries are made, independently of whether we have accepted the shipping expenses, freight and assembly or other services.
9. On request from the purchaser we will insure the consignment against all types of damage at his expense.
10. If shipping is delayed as a result of circumstances which are not our fault then from the date of being ready to ship the risk transfers to the purchaser.
11. Items supplied, even if they have minor defects, must be accepted by the purchaser irrespective of the rights under Section V.

12. Partial deliveries are permitted and can be invoiced separately.
13. If the purchaser incurs damages due to delivery delay, in particular from non-adherence to delivery deadlines and schedules on our part, he is entitled to request compensation for delay. For each full week of delay this amounts to 0,5 % of the value of the part of the total delivery which cannot be used in good time or for the intended purpose as a result of the delay, and it is limited to a total of 5 % of the amount. For this purpose the purchaser must provide evidence of the damages and the extent of damages. Compensation claims over and above this must be made in line with Section V.

IV. Retention of title

1. We retain ownership of the goods until full payment has been received.
Any processing is done for us. If it is done with other items owned by third party we are entitled to co-ownership in accordance with § 947 of the Civil Code. Outstanding payments from any resale shall be ceded to us but for goods which are processed and mixed only the proportional value of the goods subject to retention of title is ceded.

V. Liability for defects in the delivery

1. We are liable for defects in the delivery to the exclusion of further claims as follows:
With any parts which become unusable or significantly restricted in their usability within 6 months (within 3 months in the event of shift work) from transfer of risk as a result of a defect which existed before transfer of risk, we can use reasonable discretion to choose whether to provide subsequent improvement up to three times or to supply new ones free of charge. We can also refund the difference in value. Notification of defects must be made immediately in writing. Parts replaced become our property.
 2. For third party products our liability is limited to cession of the liability claims to which we shall be entitled against the supplier of the third party products. For electro-technical products, the regulations of the VDE (Association of German Electrical Engineers) apply.
 3. The right of the purchaser to assert claims relating to defects lapses in all cases from the time of supply to within the statutory period of the Civil Code.
 4. No liability shall be assumed for damages which arise for the following reasons:
Unsuitable or improper use, faulty assembly or commissioning by the purchaser or third parties, normal wear and tear, faulty or negligent handling – in particular excessive loads – unsuitable operating consumables, alternative materials, faulty construction works, unsuitable building ground, chemical, electro-chemical or electrical influences insofar as they cannot be attributed to fault on our part.
5. After agreeing with us, the purchaser shall allow us the necessary time and opportunity for undertaking all the subsequent improvements and replacement supplies which we deem necessary at our discretion; otherwise we are released from the defect liability. Only in urgent cases, where operational safety is endangered and we are immediately notified and on the condition we are late in rectifying the defect, has the purchaser the right to rectify the defect himself or have the defect rectified by a third party and request appropriate compensation from us for the costs incurred by him for doing so, limited however to the costs which we would have incurred in accordance with Section V (6).
 6. Of the costs arising due to our subsequent improvement or replacement supply, after legitimate objection we will bear all necessary costs, including in particular the cost of replacement parts; furthermore we will bear the costs for the necessary provision of our assemblers and support staff if that can be reasonably demanded depending on each individual case.
 7. Liability for the replacement part and the repair will be the same as for the item of delivery. The deadline for liability for defects for the item of delivery will be extended for the duration of the operational disruption caused solely by the subsequent improvement works. Besides this, defect notifications do not suspend or interrupt the period of limitation.
 8. We can refuse to rectify defects when the purchaser has not fulfilled his obligations.
 9. In the event that changes or maintenance tasks are improperly carried out on the part of the purchaser or third parties without our prior approval, liability for any ensuing consequences shall be cancelled.
 10. In the event of shipments to third parties or abroad and when special quality specifications apply to goods, delivery items are subject to acceptance at our works without prior request by us. If acceptance is not carried out, the goods are considered supplied and accepted in accordance with the contract upon leaving our works.
 11. For any potential liability to pay damages it is incumbent upon the purchaser to state the reason for and amount of the claim for damages.

VI. The purchaser's right to withdrawal

1. The purchaser can withdraw from the contract if the performance as a whole ultimately becomes impossible for us before transfer of risk. The purchaser can also withdraw from the contract if, with an order for the same type of items, carrying out partial delivery of the quantity is im-

possible and he has a justified reason for refusing a partial delivery; otherwise the purchaser can reduce the counter payment accordingly.

2. If there is a delay on our part within the meaning of Section III and if the maximum delay compensation in accordance with Section III, Point 13 is reached, the purchaser, after allowing us an appropriate period for subsequent fulfilment which is not complied with through fault on our part, is entitled to refuse the performance and to withdraw, but not however if the item of delivery has not been finished in accordance with Section III, Point 2 by expiration of the deadline.
3. If the impossibility occurs during an acceptance delay or through fault of the purchaser, he remains obliged to make the counter payment.
4. Furthermore the purchaser has a right to withdrawal if we have culpably let an appropriate subsequent period set for us for the rectification or correction of a defect which is our fault in the sense of these delivery conditions lapse unsuccessfully, and if the purchaser has a reasonable interest in withdrawal, in particular if compensation for the minimum value is not reasonable for him. The appropriate subsequent period does not begin until the defect is substantiated by the purchaser and our admission of obligation has subsequently been acknowledged by us in writing.
5. Any further claims by the purchaser are excluded unless they are based on intent or grossly negligent injury to life, limb or health. Furthermore we are not liable for damages suffered to property belonging to the purchaser as a result of a defect in the item of delivery, unless the defect is directly linked to the damage to a third party object (consequential damages caused by a defect) and the purchaser has not breached or even slightly negligently breached his duty to mitigate loss.

VII. The supplier's right to withdrawal

1. In cases of unforeseen events within the meaning of Section III, provided that they significantly change the commercial significance or content of the performance or have a significant effect on our business, and in the event of subsequent impossibility of performance coming to light we have the right to withdraw wholly or partially from the contract.
2. The purchaser has no claim to compensation on account of such withdrawal. If we want to make use of our right to withdrawal we must immediately inform the purchaser once we are aware of the scope of the negative impact caused by the event, even if initially an extension in the delivery period was agreed with the purchaser.

VIII. Miscellaneous and place of jurisdiction

1. We are liable for the potential culpability of fulfilment agents during manufacture and supply in the same scope as for the above-mentioned conditions.
2. Dimensions, weights, consumption data and performance specifications provided by us are approximations only and shall not constitute cause for objections unless they have been acknowledged by us as being binding. We reserve the express right to make constructional changes which appear necessary based on know-how gained in the meantime. We also reserve the right to use the tolerances prescribed by the steel mills for rolling sheet metal, bar iron etc. as well as the permitted DIN production tolerances.
3. We reserve the ownership and copyright to quotations, drawings and other documents. These documents shall not be made accessible to third parties.
4. 57258 Freudenberg applies as the place of fulfilment for all services. The place of jurisdiction for all disputes is 57072 Siegen.
5. Pursuant to special agreement, deals with customers abroad are subject to the general terms of delivery for the export of machines and equipment, initiated and recommended by the United Nations for Europe in Geneva.
6. Our general assembly terms and conditions apply for the execution and invoicing of assembly works.
7. The above-mentioned conditions remain valid in their full extent even in cases where individual parts become legally invalid.

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