Issued April 2005

1. Scope of validity

These Terms and Conditions apply to the rendering of services, such as commissioning, repairs, inspections or conversions of machines and equipment as far as there are no agreements to the contrary for a particular case. Collateral agreements and amendments require a written declaration

Assembly price and invoicing

- 2.1. Assembly work is invoiced according to time and material costs at the applicable assembly rates unless a lump-sum price has been explicitly agreed upon. The agreed prices exclude value-added tax, which must additionally be paid to the assembly firm at the statutory rate.
- 2.2. The proofs of assembly, which state the executed work and the times required for this work, shall be submitted by the assembly team to Orderer or Orderer's authorised agent once a week for a legally binding confirmation. These assembly proofs shall be used as a basis for invoicing.
- 2.3. Costs for preparatory and termination work shall be invoiced according to the level at which they are incurred, however, at least 1 hour per contract at the standard hourly rate.
- 2.4. Travelling times for a fitter driving him/herself (standard case) as well as waiting periods shall be regarded as working time and shall be invoiced with an overtime premium, if appropriate.
- 2.5. Any materials shall be invoiced according to consumption at the rate given in the valid price list or individual costing.
- 2.6. We shall determine the required personnel as well as the means of transport.
- 2.7. If several customers are visited during one journey, travelling costs shall be invoiced proportionately; however, the customer visited last shall be charged the full costs of the return journey.
- 2.8. In the event of long assembly times, the provisions of the Bundesmontagetarifvertrag (Federal Collective Agreement for General Maintenance / Assembly Workers) shall apply for journeys home. Orderer shall bear the costs.

3. Participation and technical assistance by Orderer

- Orderer must assist the assembly team in carrying out the assembly work at its own expense
- 3.2. Orderer shall take the necessary accident prevention and safety measures to protect people and materials on the assembly site from harm. Orderer must also inform the assembly supervisor about any particular safety regulations as far as these apply to the assembly team. Orderer must notify us if the assembly team violates any of these safety-related regulations. In the event of serious violations, the violator can be denied access to the assembly site after consultation with the assembly supervisor.
- 3.3. The Orderer is obliged to supply the following technical assistance, in particular, at its own expense.
 - Earth and foundation work must be completed by Orderer before the start of assembly. All articles required for assembly must be in place.
 - b) Provision of the necessary and competent helpers in the number and times appropriate to the assembly work. The helpers must follow the instructions issued by the assembly supervisor. We do not accept liability for helpers.
 - c) For assembly and commissioning work, Orderer shall provide, free of charge and in sufficient quality and quantity, the necessary equipment, such as scaffolding, lifting gear, welding equipment, as well as the necessary commodities and consumables, such as underlayers, foundation anchors, cement, cleaning agents, lubricants as well as new hydraulic fluids and cooling lubricants.
 - d) Orderer is obligated to switch off the machine or plant, if necessary, during repairs or servicing work carried out by our personnel.
 - Orderer shall provide heating, illumination, power, water, air, including the necessary connections.
 - Lockable and, in particular, dry rooms in the direct vicinity of the assembly site shall be provided for the storage of machine parts, materials and tools.
 - g) The fitters shall be provided with suitable lockable and heatable rest rooms with lighting, washing and writing facilities.
 - h) In the event of illnesses and accidents of our personnel outside the Federal Republic of Germany, Orderer is obligated to grant these personnel, free of charge, first-class medical care and – if necessary – hospital treatment with a free choice of hospital and the highest level of care until the patient has recovered or can be transported. In the latter case, Orderer shall pay the costs for transportation home as prescribed by a physician or for the replacement of one or more of our personnel. In the event of death, Orderer shall pay the costs for transfer to the home town.
 - i) Orderer shall inform us of the regulations to be followed by our personnel in its works and, in the event of journeys outside the Federal Republic of Germany, of the statutory and official regulations for the outward journey and the stay in the foreign country. Orderer shall ensure that our personnel are always in possession of valid residence, work and other permits. For journeys overseas and in hot climatic zones, the outward journey shall take place in good time to give our assembly team time to acclimatise.
 - j) For journeys outside the Federal Republic of Germany, it must be guaranteed that our personnel is able to return home with their personal luggage at all times.

- 3.4. The technical assistance provided by Orderer must guarantee that assembly can start immediately after arrival of the assembly team and can be carried out without delays until acceptance by Orderer. If any special plans or instructions are necessary from the assembly firm, the firm shall issue them to Orderer in good time.
- 3.5. If Orderer does not meet its obligations, the assembly firm is entitled, but not obligated, after notification, to carry out Orderer's obligations in its place and at Orderer's expense. In all other respects, the statutory rights and claims of the assembly firm remain unoffected.

4. Assembly deadline

- 4.1. If a binding assembly deadline is specified as an exception, it shall be regarded as fulfilled if, in the case of a contractually agreed trial operation, the assembly is ready for Orderer's acceptance inspection before the deadline expires.
- 4.2. If the assembly work is delayed as a result of actions relating to industrial disputes, particularly strikes and lockouts, as well as reasons for which the assembly firm is not responsible, the assembly deadline shall be extended appropriately as far as such hindrances can be proved to have a considerable influence on the completion of assembly; this shall also apply if such circumstances occur after the assembly firm has fallen behind schedule. Any resulting costs shall be paid by Orderer.

Acceptance

- 5.1. Orderer is obligated to carry out an acceptance inspection of the assembly work as soon it has been notified of completion and any contractually specified trial operation of the mounted object of delivery has taken place. If the assembly proves to be non-compliant with the contract, the assembly firm shall be obligated to eliminate the defect at its own expense. This shall not apply if the defect is negligible with respect to Orderer's interests or is caused by a circumstance for which Orderer is responsible. If there is no significant defect, Orderer cannot refuse acceptance if the assembly firm expressly recognises its obligation to eliminate the defect.
- 5.2. If the acceptance inspection is delayed, for which the assembly firm is not responsible, the acceptance inspection shall be regarded as being carried out two weeks after notification that assembly is complete if the acceptance has not been expressly refused in writing, stating the respective reasons, during this period.
- 5.3. With this acceptance, the liability of the assembly firm for all recognisable defects is discharged as far as Orderer has not reserved the right to claim a particular defect.

6 Claims from defects

6.1. Any recognisable defects must be immediately reported to us after the acceptance inspection, any other defects immediately after their discovery, otherwise Orderer loses all warranty rights.

If our work is deficient, we will repeat the affected work process free of charge. Any further claims from defects are – as far as legally permissible – excluded.

Any claims based on defects are time-barred after one year

- 6.2. The assembly firm shall not be liable if the defect is negligible with respect to Orderer's interests or is caused by a circumstance for which Orderer is responsible.
- 6.3. Any changes or repairs carried out by the Orderer or third parties without the previous consent of the assembly firm, make the assembly firm's liability for any consequential damages void. Only in urgent cases of jeopardy to the operational safety and to prevent disproportionate damage, whereby the assembly firm must be notified immediately, or if the assembly firm is in arrears with the remedy of the defect, shall Orderer be entitled to carry out the repair himself or to have it repaired by a third party, and to charge the necessary costs to the assembly firm.

7. Other liability of the assembly firm

If an assembly component supplied by the assembly firm is damaged during assembly through the fault of the assembly firm, the firm shall have the choice of repairing the component at its own expense or to supply a new component.

8. Limitation of liability

Orderer may not, as far as such an exclusion of claims and rights is legally permissible, assert any claims against the assembly firm with respect to compensation over and above the claims granted in the above Terms and Conditions, in particular, no claims for damages, including torts, or other rights arising from any disadvantages associated with the assembly, regardless of the legal grounds on which they are based.

9. Compensation by Orderer

If equipment or tools provided at the assembly site by the contractor are damaged or lost for reasons for which the contractor is not responsible, Orderer is obligated to compensate this damage. Damages caused by normal wear and tear are excluded.

10. Place of performance and place of jurisdiction

Place of performance is 72581 Dettingen (Germany), place of jurisdiction is 72574 Bad Urach (Germany). - These Terms and Conditions are governed exclusively by the laws of the Federal Republic of Germany.

Note: This is a translation of the German version. In cases of uncertainty or conflict, the German version shall prevail