

TERMS AND CONDITIONS

BUSINESS AREA SPECIAL PURPOSE MACHINES



I. Application of the VDMA conditions

The terms and conditions recommended by the VDMA (Verband Deutscher Maschinen und Anlagenbau e.V. / German Engineering association) do apply as referred to below. As they relate explicitly to domestic transactions, they shall apply accordingly also to transactions with abroad.

1. For the delivery of machinery, equipment, machine parts, accessories and miscellaneous items, the "VDMA-Bedingungen für die Lieferung von Maschinen für Inlandsgeschäfte" (VDMA conditions for the supply of machines for domestic business) as of August 2019 (VDMA Delivery) apply.
2. For assembly and installation of machines or parts of machines the "VDMA-Bedingungen für Montagen im Inland" (VDMA conditions for domestic assembly) as of August 2019 apply.
3. For repairs on machinery and equipment the "VDMA-Bedingungen für Reparaturen an Maschinen und Anlagen für Inlandsgeschäfte" (VDMA conditions for domestic repairs to machinery and equipment) as of August 2019 apply.
4. If delivery, assembly and installation are subject of the contract, the VDMA delivery conditions, as referred to in 1., and the VDMA conditions for domestic assembly, as referred to in 2., apply, unless otherwise agreed.
5. The VDMA conditions are published on our website.

II. Additional terms and conditions for all services

- a) If assembly and installation or repairs on machinery and equipment is subject to the contract, the "AWM Reparatur- und Montagekonditionen" (AWM conditions for repairs and assembly) as of September 2021 additionally apply.
- b) For all contractual relationships, regardless of the type referred to in Section I, in addition to the relevant VDMA conditions following conditions, primarily in doubt, apply:

III. Retention of title

- a) All delivered products shall remain property of AWM until complete payment is affected.
- b) If goods delivered under retention of title (reserved goods) are inseparably assembled or mixed with other goods being under the property of any third party, AWM shall be deemed the manufacturer and AWM shall acquire co-ownership interest in the new item proportionate to the value of the reserved goods to the other property.
- c) The customer assigns all future claims and securities deriving from the resale of the reserved goods (a) or new items (b) to AWM here and now.

IV. Acceptance

- a) At the request of AWM a formal acceptance takes place latest by the end of two months after notification of completion by AWM.
- b) If the formal acceptance fails or is not held as stated in a) by reasons that are not caused by AWM, AWM's obligations and goods are deemed accepted by the customer.
- c) If a production plant consisting of several machines is subject to the contract, the formal acceptance of the complete production plant as stated in a) takes place. If formal acceptance of the production plant fails, or is not held by latest by the end of two months after notification of completion because of the reasons the customer is responsible, the production plant is deemed accepted.

d) The customer is only entitled to refuse acceptance if there are significant deficiencies.

V. Security

AWM is entitled to demand security from the purchaser corresponding to the open order value at the time of request for security.

The security is to be provided by an unconditional, perpetual, irrevocable, absolute declaration of suretyship, under relinquishment of defence of unexhausted remedies, by a credit institution or credit insurer residing in the EU.

If the security is not lodged on the due date, AWM is entitled to refuse to perform or to terminate the contract. In case of termination AWM is entitled to demand payment of the entire agreed remuneration less any expenses saved due to termination of the contract.

There is a presumption that the contractor is accordingly entitled to five percent of the remuneration accounted for by the part of the work not yet provided, unless the customer proves lower or AWM higher damages.

VI. Compensation / Liability

- a) All claims for damages of the customer, regardless of the legal reason, are excluded. Exclusion of claims does not apply if liability is mandatory in cases of willful misconduct, grossly negligence or breach of contract or for damage from injury to life, body or health due to negligent breach of duty.
- b) Damages for breach of contract is limited to the typical foreseeable damage, unless intent or gross negligence. Claims of the customer for consequential damages are excluded, unless the damage is caused by intent or gross negligence by AWM.
- c) The liability of AWM is limited to the contract price, unless otherwise agreed upon in writing. The contract value is determined based on the contract price, plus addenda.

VII. Cancellation, rescission

If the customer - in the case of contract-for-work legislation being applicable - revoked or terminated the contract for reasons AMW is not responsible for, AWM is entitled to claim compensation for all expenses incurred plus additional 5 % of the net contract value as compensation for loss of profit, unless the customer proves lower or AWM higher loss of profit.

VIII. Final Provisions

Place of Jurisdiction for all disputes arising from the contractual relationship is Arnstadt. If any provision of these terms and conditions be or become invalid, the validity of the remaining provisions shall not be affected. Additional agreements do not exist. Changes or additions must be made in written form. This also applies to any waiver of the written form. German law exclusively shall apply to the exclusion of the UN Convention on the International Sale of Goods (CISG), even if the Buyer is domiciled abroad.