

## STANDARD TERMS AND CONDITIONS OF PURCHASE

### Terms & conditions

#### Delivery, pricing:

Approx. 3 months deliver from factory. Time of delivery starting with the receipt of down payment and all technical detail confirmed with customer.

#### Terms of payment:

-50% down payment immediately after date of contract, within 10 working days at the latest, by Telegraphic Transfer

-50% payment before delivery, by Telegraphic Transfer

#### Banking Charge

All banking charges/expenses are assumed by the Buyer.

#### Installation & commissioning:

Installation and commissioning by our specialized fitter. The costs incurred are included in the total contract value. The costs for food and lodging as well as local transport will be covered by you.

Please request our fitters as early as possible, at the time of delivery at the latest.

#### Co-supplied software package:

The machine software co-supplied by Seller may be used only and exclusively for the machine delivered. Duplications of software packages are illegal. Any arbitrary modifications and changes of the software will incur loss of warranty and will lead to the exclusion of all liability.

#### Compensation for delay:

If damage to the ordering party has been caused by delay of delivery for which Seller is responsible, the Buyer is authorized to claim compensation for loss occasioned by delay. This compensation amounts to the exclusion of further claims to 0.5%, for each full week of delay, of the value of the order being delayed, however maximally 5% of the order value. Compensation of any damage exceeding this value can be awarded only within the framework of the liability clause mentioned below.

#### Warranty/liability :

Seller grants warranty for absence of defects and for assured properties and characteristics of the item being supplied.

Natural wear, inappropriate handling and operation etc. are excluded from the warranty. seller grants warranty after having decided freely - after due assessment of the circumstances - by subsequent improvement or replacement.

The period of warranty begins with completion of the re-installation - inasmuch as no re-installation has been agreed upon, the period of warranty begins with shipment of the items to be delivered and the duration of warranty is 12 months.

Should there be a delay in shipment, installation or completion of re-installation without any fault on Seller, the period of warranty will expire at least 18 months after shipment and/or ready-for-shipment advice.

In the event of failure of improvement or replacement, Buyer is authorized to demand a reasonable reduction of the remuneration or, in as much as a reduction is not reasonable, to withdraw from the delivery contract.

For property damage caused through Seller's fault Seller is liable for up to the height of the value of the commission, maximally however up to 0.5 million RMB

The liability expires with the expiration of the period of warranty.

Seller is not liable for indirect damage, in particular consequential damage, including failure of production and lost profit, with the exception of intent or gross negligence.

The legal claims due to product liability remain unaffected.

#### Quotation validity:

We consider ourselves bound to this quotation for 1 months, based on the delivery status of the machine, i.e. on a conversion or complement/supplement which has previously been carried out by us.

We trust the above quotation is suitable for your requirement and in case you have any questions, we shall be happy to provide you with more details.

**July 2017**