

## Terms and conditions of sale

Our terms and conditions of sale and delivery govern the purchase and delivery of our transformer housings.

### I. Conclusion of a contract

1. Our quotations are offered without obligation. A contract only comes about as a result of our written order confirmation. It is governed exclusively by these terms and conditions, which are acknowledged by the purchaser placing an order or accepting the ordered goods or services; this shall also apply if we do not explicitly object to differently worded terms and conditions of the purchaser. These terms and conditions shall also apply to all contracts concluded with us in the future and other agreements even if they are not specifically mentioned again.

2. Subsidiary agreements and amendments to these terms and conditions must be confirmed by us in writing. The requirement for the written form may only be waived by us in the form of a written declaration.

### II. Delivery

1. The delivery times shall only be deemed to be agreed as approximate and shall not be binding for us.

2. The delivery period shall commence on the day that the order confirmation is sent out and shall be deemed to have been complied with if risk has transferred to the purchaser before it elapses.

3. If goods which are ready to be dispatched are not sent out for reasons beyond our control, we shall be entitled to store these products or parts of them at the purchaser's expense and risk.

4. Unforeseen events such as force majeure, mobilisation, war, war-like events or other disturbances, delays with transportation, strikes or other manufacturing shutdowns and also other disruptive events shall absolve us, for their duration, from the obligation to provide prompt delivery on time, and this shall also be the case if they occur during a delay which has already occurred; if they last for longer than six weeks, we shall be entitled to withdraw from the contract in whole or in part. Claims for compensation on the part of the purchaser are excluded; however, it shall still enjoy the statutory right of withdrawal.

5. The risk shall transfer to the purchaser when the goods which have been ordered are handed over to the person or organisation carrying out the transportation of them. This shall also apply when our own means of transportation are used. If the handover and dispatch are delayed for reasons beyond our control, the risk shall transfer to the purchaser from the day on which the goods are ready to be dispatched.

6. Unless something is agreed to the contrary, we shall be entitled, but not obliged, to insure the goods to be dispatched against all kinds of risks during transportation, at the purchaser's expense. This and any possible payment of the transportation costs shall not have any influence on the transfer of risk.

7. We shall be entitled to make part deliveries.

### **III. Prices and terms of payment**

1. Our prices are purely net, from the point of shipment. All shipment costs, in particular packaging, transportation costs and transport insurance, as well as statutory value added tax shall be charged to the purchaser.

2. If there is a substantial change to the manufacturing process, a change to wage costs, the costs of raw materials, energy costs, capital costs, a change to freight charges, sales and transaction taxes and customs duties, each party to the contract may demand that the price be adjusted by way of negotiation.

3. Payments must be made in accordance with the agreed arrangements. Without prejudice to a differently worded provision of the purchaser, payments shall be credited to the oldest outstanding invoices. Bills of exchange and cheques shall only be accepted by special arrangement and provided that we do not incur any charges or costs. If the payment deadlines are not met, we shall charge interest payable after the due date at a rate of 5% above the respectively applicable bank rate charged by the German Central Bank. We shall be at liberty to assert a claim for loss caused by delay.

4. The purchaser shall not enjoy any right of retention in respect of our outstanding claims. Claims may only be offset with counterclaims which are not contested by us or have been declared final and absolute.

5. All of our claims, including those for which we have accepted bills of exchange or for which payment in instalments has been agreed, shall be due for payment immediately if the terms of payment are not met or we become aware, after the conclusion of the contract, of a substantial deterioration in the pecuniary circumstances of the purchaser. We shall then also be entitled, contrary to the arrangements which have been agreed, to provide outstanding deliveries and services only in return for payment in advance or the provision of a security.

### **IV. Guarantee**

1. We guarantee that our deliveries are not tainted with any defects, which also includes the failure to provide guaranteed characteristics. If such defects are identified, we must be notified of this immediately in writing – with detectable defects at the latest within 10 days following the receipt of goods, and with non-detectable defects as soon as they are detected. The claim under the guarantee shall become time-barred after six months have elapsed following the delivery of the products to the purchaser.

2. In respect of defective deliveries and services, our guarantee obligation shall be restricted to rectification of the problem or a replacement delivery, at our option. For goods which we did not manufacture, our guarantee obligation shall be restricted to assigning our guarantee claims to the manufacturers; parts which are replaced shall become our property.
3. In the event that we acknowledge a defect which has been reported, we shall pay the labour costs incurred in connection with the rectification of the problem. All other costs associated with the rectification of the problem as well as the additional costs associated with the replacement delivery, in particular the costs of transporting the replacement component, shall be paid by the purchaser. If the costs to be borne by the purchaser are disproportionately high compared with the value of the order, we shall at the purchaser's request enter into negotiations regarding another way of apportioning the burden of cost.
4. Each guarantee obligation shall lapse if repair work or other work has been carried out on the defective products without our permission. We do not offer any guarantee in respect of defects which are attributable to normal wear and tear or incorrect handling.
5. The same guarantee shall apply to repair work and replacement deliveries as applies to the original delivery or service, but this shall only be until the guarantee period which applies to the original delivery or service expires.
6. If the rectification of the defect through repair work or a replacement delivery fails, the purchaser shall be entitled to demand an appropriate reduction in the purchase price. If an agreement on the level of reduction cannot be reached, the purchaser shall also be entitled to annul the contract.
7. All claims of the purchaser which go beyond this or deviate from those provided for in these terms and conditions, on whatever legal grounds, are excluded.

## **V. Commercial property rights**

1. Development work which we carry out shall remain our intellectual property. Further use thereof by the purchaser and the passing on thereof to third parties is excluded. Breaches of this regulation shall trigger claims for compensation.
2. Drawings, plans, sample products, models, prototypes, programs and tools shall remain our property, including in the event that it is agreed that the purchaser shall pay the costs.
3. Unless something is agreed to the contrary, we shall not accept any liability for ensuring that the goods which we supply do not breach commercial property rights belonging to third parties. The purchaser shall be obliged to notify us immediately if it is made aware of such breaches.

4. If the goods which are supplied have been produced on the basis of designs or instructions provided by the purchaser, the purchaser must indemnify us against all claims asserted on the basis of breaches of commercial property rights belonging to third parties. Any legal costs must be paid in advance in an appropriate way.

## **VI. Reservation of title**

1. We shall reserve title to the products which we supply and to the items arising from their processing or amendment until all claims which we have now or in the future against the purchaser are settled. The purchaser shall perform any processing or amendment without any obligations arising for us from this. If the purchaser combines products which are our property with other goods, we shall enjoy sole or joint title to the new items as a ratio of the value of our processed products compared with the other goods at the time of combination. The purchaser shall assign, at this juncture, any shares of title which it accrues as a result of combining our products with other items. The purchaser shall look after the products to which we enjoy sole or joint title (reserved products) as a custodian on our behalf, exercising due commercial diligence.

2. An alienation of the reserved products shall only be allowed as part of the purchaser's ordinary business dealings. Other disposals which jeopardise our rights are barred. The purchaser shall assign to us, by way of security at this juncture, the claims which it enjoys as a result of the further alienation or on another legal ground appertaining to the reserved products. If it alienates the reserved products with other goods, it shall hereby assign its claims to the purchase price to the extent that they correspond to the value of our share of the title to the reserved products.

3. The purchaser shall issue us at all times with all desired information about the reserved products and about claims which are hereby assigned to us. The purchaser must notify us immediately, submitting the necessary documents, if third parties have access to such products or claims. The purchaser shall pay the costs of any intervention.

4. If the value of the securities furnished exceeds our total claims by more than 20%, the purchaser shall then be entitled to demand release.

5. If we assert our reservation of title or if we demand surrender on the basis of these regulations, this shall not be deemed to constitute withdrawal from the contract.

6. If we deliver to countries in which the extended reservation of title does not have the same securing effect as in Germany, the purchaser shall do everything it can to create appropriate security interests for us immediately.

**VII. Liability**

1. We shall only be liable for losses sustained by the purchaser to the extent that we or our vicarious agents can be shown to have displayed intent or gross negligence. This shall apply to all claims for compensation, regardless of whether they are based on statutory provisions, criminal action, contractual arrangements or a breach thereof. However, this liability disclaimer does not cover the direct damages (damages arising from defects) caused by the absence of assured characteristics and those consequential damages arising from defects against which these assured characteristics are specifically intended to safeguard purchasers; we shall only be liable for other consequential damages arising from defects to the limited extent outlined above.

2. Any damage which is caused by gross negligence shall only be compensated up to the amount which was foreseeable for us at the time that the contract was concluded, taking into account all of the circumstances of which we were aware or culpably unaware.

**VIII. Ineffectiveness of individual provisions**

If a provision in these terms and conditions is ineffective, it shall be replaced by the effective provision which represents the closest approximation to the commercial purpose of the ineffective provision.

**IX. Assignability of claims**

The purchaser shall not be entitled to assign its claims arising from the contract.

**X. Place of jurisdiction and applicable law**

The place of performance and place of jurisdiction is Aschaffenburg. Only the law of the Federal Republic of Germany shall be applicable, with the exception of the uniform purchase law and the uniform transaction law.

**Contact**

Would you like a consulting appointment or do you have specific questions about our products? Please feel free to contact us. We would be happy to assist you.

**Your partner for high-quality transformer housings**