

General Terms and Conditions of Delivery

I. General Terms and Conditions of Delivery

1. The scope of deliveries (hereinafter referred to as: deliveries) shall be governed by the mutual written agreements between the parties. The customer's general terms and conditions of business shall, however, only apply to the extent that the supplier or the provider (hereinafter referred to as: the supplier) has expressly accepted them in writing.
2. The supplier reserves all property rights, copyrights and exploitation rights, without restriction, concerning cost estimates, drawings and other documentation (hereinafter referred to as: documentation). The documentation may only be made available to third parties with the express prior written consent of the supplier and, in the event that the contract is not awarded to the supplier, the documentation must be returned upon request. Articles 1 and 2 shall apply correspondingly to the customer's documentation as well; it shall be permissible to make this documentation available to third parties whom the supplier has commissioned to perform deliveries, according to the agreement between the parties. The names, brands and trademarks of the supplier may only be used by third parties with the express permission of the supplier.
3. The customer shall be granted the right to use the company software complying with the agreed terms; the customer is not authorised to perform any modifications on this software. The customer is entitled to make one backup copy, only with the express permission of the supplier. Multiplication or distribution of the software is forbidden. Equally, it may not be used if machinery or plant components are not provided by the supplier.
4. Partial deliveries are permissible to the extent that they are acceptable to the customer.

II. Prices and terms of payment

1. Prices include ex factory price and are exclusive of packaging and VAT in force.
2. In the event that the supplier assumes responsibility for installation or assembly and unless otherwise agreed upon, the customer shall be responsible for all associated ancillary costs, such as travel and accommodation expenses, per diems, the cost of transporting tools and personal luggage, in addition to the initially accepted costs.
3. Payments shall be performed directly to the supplier, based on the issued invoices, into the bank accounts indicated by the latter, complying with the deadlines indicated in the offer.
4. Lack of compliance with the payment deadlines by the customer entail on the latter payment of penalties to the amount of 1% from the unpaid value of the issued invoice for every month of delay.
Delayed payment penalties shall be calculated starting from the expiry of the deadline.
The value of the penalties may exceed the amount on which they are calculated.

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5. The customer's payment obligations can be compensated with the claims which were not disputed by the supplier or which were established by law. Claims shall also be deemed to be undisputed only if they have been expressly acknowledged by the supplier in writing.

III. Reservation of title

1. The delivered products (reserved goods) shall remain the property of the supplier until such time as all claims owed by the customer in connection with the business relationship have been satisfied. To the extent that the value of all security rights to which the supplier is entitled exceeds the amount of the secured value by more than 20%, the supplier shall release a corresponding portion at the customer's request.
2. As long as the supplier is the owner of the delivered products, the customer shall not be permitted to sell and/ or form securities with them; their sale is permitted to distributors, in the course of normal business relations, on the condition that advance payments be performed or that transfer of the respective goods only be performed after the performance of all payment obligations.
3. The customer shall notify the supplier immediately in the event of any garnishment, confiscations or interventions by third parties.
4. Breach of obligations by the customer, mainly of those related to performance of payment, entitles the supplier, after summons and settlement of an execution deadline (one week at most) which expired, to request termination of the agreement and the return of the goods (within at most one week). Within this context, the client has the obligation to return the merchandise.

IV. Delivery periods; delays

1. Adherence to delivery periods shall be conditioned both by the timely receipt of all documentation, necessary permits and releases and, especially, plans to be provided by the customer, as well as by the customer's compliance with the agreed terms of payment and fulfilment of all other obligations. In the event that these conditions are not met cumulatively and in due time, the delivery periods shall be extended accordingly; this shall not apply if the reason for the delay lies with the supplier.
2. In the case that non-observance of delivery deadlines is due to cases of force majeure, e.g. mobilisation, war, riot, or similar events, such as strikes or lock-outs, the deadlines shall be correspondingly extended.
3. The customer shall not be entitled to assert claims for compensation on grounds of late delivery, nor to claim compensation instead of performance of the obligation to supply, even if the delivery deadline established by the client has expired. This provision is not applicable when legal provisions concern cases of intent, gross negligence, or injury to life, limb or health. Considering the legal provisions, the customer shall only be entitled to denounce the agreement if the supplier is to blame for the delay in the execution of obligations.

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4. The customer shall be obliged, at the request of the supplier, to notify within a reasonable period of time, at most 15 days, whether they intend to cancel the agreement and thus to renounce on the delivery, or whether they maintain the order.
5. In the event that the customer requests the postponement of shipment or delivery by more than one month following the notification of readiness for despatch, the supplier shall be entitled to charge a storage fee of 0.5% of the price of the goods ordered per each storage month, but not more than 5% of the total value.

V. Transfer of risk

1. Risk shall be transferred to the customer, even when complete delivery is not achieved, as follows:
 - a) in the case of deliveries without installation or assembly: when they are collected for the purpose of dispatch. Upon the customer's request and at the latter's expense, the supplier may insure the deliveries against the usual delivery risks.
 - b) in the case of deliveries with installation or assembly: on the day the customer accepts them for deployment or following successful test operation, according to the agreement between the parties.
2. Risk shall be transferred to the customer if the despatch, delivery, commencement or execution of the installation or assembly works on the customer's premises, or test operation is delayed for reasons for which the customer is answerable or if the customer delays acceptance for any other reasons.

VI. Installation and assembly

Unless otherwise agreed in writing, the following provisions shall apply with regard to installation and assembly:

1. The customer shall bear the costs and responsibility for provision in good time of:
 - a) All ground, construction and other third-party ancillary works, including the requisite trained personnel and workers, construction materials and tools;
 - b) The equipment and materials needed for assembly and commissioning, such as scaffolding, lifting and other equipment, fuels and lubricants;
 - c) Electric energy and water, including connections at the point of installation; heating and lighting;
 - d) Sufficiently large, suitable, dry and lockable spaces at the point of installation for storing machine parts, equipment, materials, tools, etc.; reasonable work and recreation spaces for the installation team, including adequate sanitary facilities. Generally, the customer shall take all precautions necessary to protect the supplier's

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- property and the personnel in charge of the installation on site as he would to protect his own property;
- e) Any protective clothing and equipment necessary in the assembly process, depending on the circumstances.
2. Prior to the start of the assembly works, the customer shall provide information concerning the site, the routing of any concealed power, gas or water lines or any other similar systems, together with the necessary structural details.
 3. Prior to commencing installation or assembly, everything necessary (the materials and equipment etc.) must be placed at the installation or assembly site and all preliminary works prior to commencing installation must be performed, so as to allow the installation or assembly works to be commenced in accordance with the contract and to continue without interruption. The roads which service the area, the installation or assembly site, must be accessible and usable.
 4. In the event that the installation, assembly or commissioning is delayed for reasons beyond the supplier's control, the customer shall bear the costs of idle time and any additional journeys by the supplier or the installation team.
 5. The customer shall provide the supplier with a weekly schedule of the time worked by the installation team and shall notify the supplier immediately once installation, assembly or commissioning is completed.
 6. If the supplier requests acceptance of the delivery following completion, the customer shall perform such acceptance within two weeks. If this does not occur, the delivery shall be deemed to have been accepted by the customer, both from the point of view of the value, and from a qualitative point of view, in which sense a corresponding invoice shall be issued. In this case, the value of the invoice shall be deemed as accepted for payment by the customer

VII. Reception

The customer shall not be entitled to refuse deliveries on grounds of insignificant defects.

VIII. Material defects

Material defects shall be insured by the supplier as follows:

1. All parts or works that present defects whose cause existed at the time of risk transfer, which are still covered by the defects liability period, irrespective of the service life, shall be repaired, redelivered or reworked freely by the supplier.
2. The period of time within which defects shall be notified is twelve months. According to art. 2531, paragraph 4 of the Civil Code, this period is a liability period within which flaws must emerge, in all cases.
This provision is not applicable when the legal provisions concern intentional breaches, gross negligence or in cases of injury to life, limb or health.

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The legal regulations concerning the suspension and interruption of the liability period, commencement of a new defects liability period, shall apply correspondingly.

3. The customer shall notify the supplier immediately and in writing concerning any material defects.
4. In the case of material defects, the customer shall be entitled to withhold a part of the price due to the supplier, corresponding to the deficiencies uncovered.
The customer shall be entitled to withhold payments in accordance with the preceding paragraph, only if he has notified the supplier concerning the defect.
In this event, if it is ascertained that the complaint concerning material defects proves to be unfounded, the supplier shall be entitled to demand compensation from the customer for the expenses incurred by the supplier.
5. In the case that, according to the previously established terms, the existence of material defects is ascertained, the supplier shall have the obligation to rectify the ascertained deficiencies within a reasonable period of time, at least 30 days.
6. If rectification works fail to yield results, the customer may:
 - request the supplier to replace the respective goods;
 - request the supplier to return the price paid, in exchange for return of the goods;
 - request the supplier to reduce the price correspondingly.
7. Warranty claims shall not be valid if non-compliance with the agreed properties is negligible, if the suitability for use of the product/ work is only impaired to a minor degree, or in cases of natural wear or of damages arising after the transfer of risk as a result of incorrect or negligent usage by the customer, excessive use, the use of unsuitable operating equipment, faulty construction works, unsuitable foundations, or as a result of particular external influences that are not defined in the contract, or if the customer performs inadequate modifications or repair works.
8. Claims asserted by the customer due to expenses for additional works, and especially transportation, travel, labour and material costs, shall be excluded if the expenses increase as a result of the merchandise being subsequently moved to an address different from that which was initially indicated by the customer, unless such relocation is consistent with the correct utilisation of the products.
9. The customer may only assert claims from the supplier to the extent that they have not concluded any other agreements with their beneficiaries, that extend the defects liability period for the products/ works concerned beyond the legal liability period.
10. In all other respects, concerning claims for compensation, Art. XI of the present agreement (Other claims for compensation) shall apply.
Other claims or larger claims than those stipulated in Art. VIII formulated by the customer against the supplier and the latter's agents, due to defects of the products are excluded.

IX. Industrial property rights and copyrights: absence of legal defects

1. Unless otherwise agreed upon, the supplier shall be obliged to ensure that the delivery does not infringe on any industrial property rights and copyrights of third parties in the country of delivery (hereinafter referred to as: property rights). If a third party asserts claims against the customer on grounds of the infringement of property rights by the supplier, as a consequence of the delivery of products in accordance with the stipulations of the agreement, the supplier shall be liable to the customer, within the terms defined in Art. VIII No. 2, as follows:
 - a) The supplier shall, according to their own choice and at their own expense, either obtain a right of use for the products in question, or modify the products in question so as to eliminate the infringement of the property right, or replace the products. In the event that the supplier is not able to render such subsequent performance at reasonable conditions, the customer shall be entitled request cancellation of the agreement or price reduction.
 - b) The obligation of the supplier to pay compensation for damages shall be governed by Art. XI of the present agreement.
 - c) The aforementioned obligations of the supplier shall only be applicable to the extent that the customer notifies the supplier of any claims asserted by third parties immediately and in writing, if the customer does not acknowledge any infringement on the third party, and all rights of defence, settlement, and negotiation are reserved for the supplier. In the event that the customer ceases to utilise the delivered products in order to diminish damages or for any other important reasons, he shall be obliged to notify the third party that the discontinuation of utilisation of the respective products does not constitute any acknowledgement of an infringement of any property rights.
2. Claims by the customer shall be excluded to the extent that the customer is responsible for the infringement of the third party's property rights.
3. Equally, claims by the customer shall also be excluded if property rights of third parties are infringed as a result of particular specifications/ characteristics requested by the customer from the supplier, if the delivered products were utilised for a purpose that was not foreseen by the supplier, or if the products delivered by the supplier were utilized incorrectly.

X. Impossibility; Contractual modification

1. If delivery of the products is rendered impossible, the customer shall be entitled to demand compensation for damages, unless the reasons for the inability to deliver are beyond the supplier's control. However, compensations shall be restricted to 10% of the value of delivered product, which, as a result of the impossibility, cannot be placed in use.

Also, in such a situation, the customer is entitled to request cancellation of the agreement.

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2. To the extent that unforeseeable events, in the sense of Art. IV No. 2, bring about major changes to the economic value or to the content of the delivery, or if it influences the supplier's business considerably, the agreement shall be modified correspondingly, taking into account the principles of equity and good-faith. If such modification is not feasible from an economic point of view, the supplier shall be entitled to request cancellation of the agreement. In the event that the supplier wishes to exercise this right of withdrawal, he shall be obliged to notify the customer immediately upon becoming aware of the extent of the consequences of the event, even if the parties previously agreed upon an extension of the delivery period.

XI. Other claims for compensation

1. Claims by the customer for compensation of damages and expenses (hereinafter referred to as: claims for compensation), irrespective of the legal grounds on which they are asserted, and especially on grounds of violation of contractual obligations or impermissible actions, shall be excluded to the extent that these claims were not provisioned within the present General Terms of Delivery.
2. Any claims for compensation, for breach of material contractual obligations, shall however be limited to the losses which are foreseeable and typical for this type of contract, except for cases of gross or intentional negligence, or for those leading to injury to life, limb or health.
3. To the extent that the customer is entitled to compensations according to Art. XI, these must be claimed within the valid term for claims concerning material deficiencies, according to Art. VIII No. 2.

XII. Termination of the Agreement

1. The agreement shall cease upon performance of obligations due by each party.
2. Equally, the agreement shall cease by default, with no need for intervention on the part of a court of arbitration or a court of jurisdiction, in the event that any of the parties:
 - is declared to be insolvent or if the insolvency procedure was commenced prior to the execution of the present agreement;
 - violates any of their obligations, after having been warned, by written notification, that further infringement shall lead to cancellation of the agreement;
 - in the event that the customer has been repeatedly late in payment of the invoices and if he was warned, by written notification, that further infringement of payment deadlines shall lead to cancellation of the agreement.
3. The party invoking a cause for termination of the contractual provisions, according to the stipulation of point 2 of this article, shall have the obligation to notify the other party, attaching relevant evidence, within at most 15 days from the date the cause was ascertained.

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XIII. Court of jurisdiction and applicable laws

1. Any disagreement between the contracting parties, resulting from the interpretation or execution of the agreement, which cannot be solved amiably, shall be presented to the court of jurisdiction at the supplier's registered office.
The parties expressly agree that every right of action by the customer concerning the present agreement shall lose validity within one year.
2. The present agreement shall be governed by Romanian laws.

XIV. Validity of the agreement

1. In the event that individual provisions of this contract should prove to be legally ineffective, this shall not affect the validity of the remaining provisions. This provision shall not apply if, within the previously established context, adherence to the contract would represent unreasonable hardship for one of the parties.
2. Amendments and additions to the present agreement shall only be valid if stipulated in writing; the written form shall apply equally to any partial or complete waiver of any contractual clause.