General Conditions of Sale – Export –

1 General
1.1 These general conditions of supply shall be binding if declared applicable in the quotation or in the order acknowledgement. Any conditions stipulated by the customer which are in contradiction to these general conditions of supply shall only be valid if expressly acknowledged by Coperion in writing.
1.2 All agreements and legally relevant declarations of the parties to the contract must be in writing in order to be valid.
1.3 Should a provision of these general conditions of sale prove to be wholly or partly invalid, the parties to the contract shall jointly seek an arrangement having a legal and economic effect which will be as similar as possible to the invalid provision.

2 Scope of supplies and services
The supplies and services are exhaustively specified in the order acknowledgement and in appendices thereto. Coperion shall be entitled to make any changes which lead to improvements provided such changes do not result in a price increase.

3 Quotation and technical documents
3.1 Unless otherwise agreed upon, brochures and catalogues are not binding. Data provided for in the quotation and technical documents are only binding in so far as having been expressly stipulated as such.
3.2 Coperion retains all legal titles and copyrights to technical documents provided by Coperion to the customer. The customer recognises these rights and shall - without previous written consent of Coperion - not make the quotation and these documents available to any third party, either in whole or in part, nor use them for purposes other than those for which they were handed over.
3.3 Coperion undertakes to not allow third parties access to the documents which the customer has marked as confidential unless the customer has given its consent.

4 Special protection and information obligations on customer’s part
4.1 The customer is obliged to follow the operating and maintenance instructions issued by Coperion or its suppliers and make these instructions, particularly those regarding safety recommendations, familiar to its employees and third parties coming into contact with the supplies. If the customer fails to comply with this rule, it shall save Coperion harmless from any claims by third parties including its own employees.
4.2 The customer undertakes to inform Coperion comprehensively regarding statutory, labour agreement or any other safeguarding regulations, standard requirements and other rules which are significant for the design and technical execution of the supplies, particularly at foreign erection sites.

5 Prices
5.1 Unless otherwise agreed upon, all prices shall be deemed to be ex works in accordance with the applicable Incoterms as amended, including loading at works, but excluding packing. Erection and commissioning work are not included in the purchase price even if supplies cannot be taken over, accepted or put into operation due to non-compliance with such regulations. The burden of proof rests with the customer.

6 Terms of payment
6.1 Payments shall be made by the customer at to one of Coperion’s accounts according to the agreed terms of payment, without any deduction for cash discount, expenses, taxes, levies, fees, duties, and the like.

7 Reservation of title
7.1 Coperion shall remain the owner of all supplies until having received the full payments in accordance with the contract.

8 Delivery time
8.1 The delivery time shall start as soon as the contract is entered into, all payments due with the order have been made, any agreed securities given and the main delivery, erection, commissioning or taking over of the supplies or services is delayed or prevented due to reasons beyond Coperion’s control, or if unimportant parts are missing, or if post delivery work is to be carried out without the supplies being prevented from use.

9 Payment in respect of damages
In all cases of damages in which the customer is at fault, the customer shall bear any and all charges, such as, but not limited to, freight charges, packing, insurance premiums, fees for export, transit, import and other permits, as well as for certifications, shall be borne by the customer. Likewise, the customer shall bear any and all taxes, fees, levies, customs duties and the like which are levied out of or in connection with the contract, or shall refund them to the Coperion against adequate evidence in case Coperion is liable for them.

10 Finality
The dates of payment shall be deemed to be agreed delivery time, one third as soon as the customer has received Coperion's advice that the main equipment is ready for dispatch.

11 Contractual changes
If the customer fails to fulfil this obligation, it shall also be obliged to pay the full purchase price even if supplies cannot be taken over, accepted or put into operation due to non-observation of such regulations. In such cases the customer shall moreover bear the extra cost of adapting the supplies to the regulations in question, particularly to foreign regulations.

12 Liability
If the supplies are in contradiction to regulations which the customer neglected to point out to Coperion in accordance with Clause 4.1, Coperion shall be free of any liability towards the customer in respect of Coperion's non-observation of the regulations. The customer shall save Coperion harmless of any and all claims as a result of injury, which the customer's employees or third parties suffer as a result of the supplies unless such injury had also been possible in spite of following such regulations. The burden of proof rests with the customer.

13 Technical data and specifications are only binding in so far as having been expressly stipulated as such. Unless otherwise agreed upon, brochures and catalogues are not binding. Data provided for in the technical documents are only binding in so far as having been expressly stipulated as such.

14 Coperation shall be entitled to make any changes which lead to improvements provided such changes do not result in a price increase.

15 Quotation and technical documents
3.1 Unless otherwise agreed upon, brochures and catalogues are not binding. Data provided for in the quotation and technical documents are only binding in so far as having been expressly stipulated as such.

16 Coperion retains all legal titles and copyrights to technical documents provided by Coperion to the customer. The customer recognises these rights and shall - without previous written consent of Coperion - not make the quotation and these documents available to any third party, either in whole or in part, nor use them for purposes other than those for which they were handed over.

17 Coperion undertakes to not allow third parties access to the documents which the customer has marked as confidential unless the customer has given its consent.

18 Special protection and information obligations on customer’s part
4.1 The customer is obliged to follow the operating and maintenance instructions issued by Coperion or its suppliers and make these instructions, particularly those regarding safety recommendations, familiar to its employees and third parties coming into contact with the supplies. If the customer fails to comply with this rule, it shall save Coperion harmless from any claims by third parties including its own employees.

19 The customer undertakes to inform Coperion comprehensively regarding statutory, labour agreement or any other safeguarding regulations, standard requirements and other rules which are significant for the design and technical execution of the supplies, particularly at foreign erection sites.

20 Prices
5.1 Unless otherwise agreed upon, all prices shall be deemed to be ex works in accordance with the applicable Incoterms as amended, including loading at works, but excluding packing. Erection and commissioning work are not included in the purchase price even if supplies cannot be taken over, accepted or put into operation due to non-compliance with such regulations. The burden of proof rests with the customer.

21 Terms of payment
6.1 Payments shall be made by the customer at to one of Coperion's accounts according to the agreed terms of payment, without any deduction for cash discount, expenses, taxes, levies, fees, duties, and the like.

22 Unless otherwise agreed upon, the price shall be paid in the following instalments: One third as advance payment on placing the order, one third on expiry of half the agreed delivery time, one third as soon as the customer has received Coperion’s advice that the main equipment is ready for dispatch.

23 The dates of payment shall also be observed if transport, delivery, erection, commissioning or taking over of the supplies or services is delayed or prevented due to reasons beyond Coperion’s control, or if unimportant parts are missing, or if post delivery work is to be carried out without the supplies being prevented from use.

24 If the advance payment or the contractually agreed securities are not provided in accordance with the terms of the contract, Coperion shall be entitled to adhere to or to terminate the contract, and shall in both cases be entitled to claim damages. If the customer, for any reason whatsoever, is in delay with a further payment, or if Coperion is seriously concerned that it will not receive payments in total or in due time because of circumstances having taken place since entering into the contract, Coperion, without being limited in its rights provided for by law, shall be entitled to refuse the further performance of the contract and to retain the supplies ready for dispatch until new terms of payment and delivery have been agreed and until Coperion will have received satisfactory securities. If such an agreement cannot be reached within a reasonable time, or in case Coperion does not receive adequate securities, Coperion shall be entitled to terminate the contract and to claim damages.

25 If the customer delays in the agreed terms of payment, it shall be liable, without reminder, for interest with effect from the agreed date on which the payment was due at a rate depending on the terms prevailing at the customer's domicile, but not less than 4 per cent over the current 3-Months EURIBOR or LIBOR respectively.

26 The right to claim further damages is reserved.

27 Reservation of title
7.1 Coperion shall remain the owner of all supplies until having received the full payments in accordance with the contract.

28 The customer shall cooperate in any measures necessary for the protection of Coperion’s title. In particular upon entering into the contract it authorises Coperion to enter or notify the reservation of title in the required form in public registers, books or similar records, all in accordance with relevant national laws, and to fulfil all corresponding formalities, at customer’s cost. In particular, Coperion shall also be entitled to establish and register a reservation of title in accordance with German property law (GBB).

29 During the period of the reservation of title, the customer shall, at its own cost, maintain the supplies and insure them for the benefit of Coperion against theft, breakdown, fire, water and other risks. It shall further take all measures to ensure that Coperion’s title is in no way prejudiced.

30 If reservation of title or any other security agreed according to these conditions cannot be agreed in the country in which the customer is located or in which the supplies are to be brought, but the reservation of other, economically equivalent rights to the supplies or other means of security are allowed, Coperion shall be entitled to such rights and they shall be deemed as agreed.

31 Delivery time
8.1 The delivery time shall start as soon as the contract is entered into, all payments due with the order have been made, any agreed securities given and the main technical points settled and all documents to be procured by the customer such as, but not limited to, permits, releases, etc. have been received by Coperion.

32 If the customer is behind schedule with the work it has to execute, the delivery time is extended by the delay caused by the customer, regardless of whether such delay is with the supplies or Coperion’s control or not. Any specific completion date shall be extended by the same period of delay.

33 The delivery time shall be deemed to be observed if by that time Coperion has sent a notice to the customer informing that the supplies have left the works or are ready for dispatch. In case liquidated penalty is agreed, the value of equipment which is not available at agreed time is concerned only.
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8.3 If hindrances occur which Coperion cannot prevent despite using the required care, the delivery time is reasonably extended. Such hindrances include, but shall not be limited to, labour conflicts, in particular strikes and lockouts, serious breakdown in the works and unexpected hindrances beyond Coperion’s control, provided that such hindrances can be proved to have influence on completion or delivery of the supplies. These circumstances shall also apply to late or deficient delivery on the part of Coperion’s suppliers. The above circumstances shall also be deemed to be beyond Coperion’s control when they occur during a delay already caused. Coperion shall inform the customer as soon as possible of the beginning and end of such hindrances in important cases.

8.4 In case delay in delivery is caused by Coperion, claims for damages for non-performance as well as for any losses due to delay are excluded unless the default is due to gross negligence or unlawful intent.

9 Packing

Packing shall be charged separately by Coperion and shall not be returnable. However, if it is declared as Coperion’s property, it shall be returned by the customer, carriage paid, to the place of dispatch.

10 Passing of benefit and risk

10.1 The benefit and the risk of the supplies shall pass to the customer by the date of their leaving the works.

10.2 If dispatch is delayed at the request of the customer or due to reasons beyond Coperion’s control, the risk of the supplies shall pass to the customer at the time originally foreseen for their leaving the works. From this moment on, the supplies shall be stored and insured on the account and at the risk of the customer.

11 Forwarding, transport and insurance

11.1 Coperion shall in time be notified of special requirements regarding forwarding, transport and insurance. The transport shall be at customer’s expense and risk. Objections regarding forwarding or transport shall upon receipt of the supplies or of the shipping documents be immediately submitted by the customer to the last carrier.

11.2 The customer shall be responsible for taking insurance against risks of any kind.

12 Inspection and taking-over of the supplies and services

12.1 As far as being normal practice, Coperion shall inspect the supplies and services before dispatch. If the customer requests further testing, this has to be specially agreed upon and paid for by the customer.

12.2 The customer shall inspect the supplies and services within a reasonable period and shall immediately notify the Coperion in writing of any deficiencies. If the customer fails in doing so, the supplies and services shall be deemed to have been taken over.

12.3 Having been notified of deficiencies according to Clause 12.2, Coperion shall as soon as possible remedy them, and the customer shall give Coperion the possibility of doing so. After remedy of such deficiencies, a taking-over test according to Clause 12.4 will be carried out at the request of the customer or of Coperion.

12.4 Subject to Clause 12.3 the carrying out of a taking-over test as well as laying down the conditions related thereto need a special agreement. In the absence of such agreement the following shall apply:

- Coperion shall advise the customer in time of the execution of the taking-over test so that the customer or its representative can attend.
- A taking-over report shall be prepared which shall be signed by both the customer and Coperion or by their representatives. Such report shall either state that the taking-over has taken place, or that it has taken place under reservations, or that the customer has refused the acceptance. In the last two cases, the deficiencies shall be listed individually in the report.
- In case of insignificant deficiencies, in particular those which do not substantially hinder the efficient functioning of the supplies or services, the customer shall not be entitled to refuse the acceptance of the supplies or services and the signature of the taking-over report. Coperion shall remedy such deficiencies without delay.

12.5 Taking-over shall also be deemed completed

- if the taking-over test cannot be carried out on the date provided for due to reasons beyond Coperion’s control;
- if the customer refuses the acceptance without being entitled to do so;
- if the customer refuses to sign the taking-over report prepared in accordance with Clause 12.4;
- as soon as the customer uses the supplies or services.

12.6 Deficiencies of any kind in supplies or services shall not entitle the customer to any rights and claims other than those expressly stipulated in Clauses 12.4 and 13 (guarantee, liability for defects).

13 Guarantee, liability for defects

13.1 Guarantee period

The guarantee period is 12 months. It starts when the supplies leave the works or at the taking-over of the supplies and services should such taking-over have been agreed upon before, or, if Coperion undertakes the erection, upon completion thereof. If dispatch or taking-over or erection are delayed due to reasons beyond Coperion’s control, the guarantee period shall end not later than 18 months after Coperion’s notification that the supplies and services are ready for dispatch.

For replaced or repaired parts the guarantee period starts anew and lasts 6 months after replacement or completion of the repair, but not earlier than the expiry of the original guarantee period stipulated for the supplies.

The guarantee expires prematurely if the customer or a third party undertakes inappropriate modifications or repairs or if the customer, in case of a defect, does not immediately take all appropriate steps to mitigate the damage and give Coperion the possibility of remedying such defect.

13.2 Liability for defects in material, design and workmanship

Upon written request of the customer, Coperion undertakes at its choice to repair or replace as quickly as possible any parts of the supplies which, before the expiry of the guarantee period, are proved to be defective due to bad material, faulty design or poor workmanship. Replaced parts shall become Coperion’s property. Coperion shall bear the costs of remedying the defective parts in its works. If the repair cannot be carried out in Coperion’s works, the customer shall bear the related costs to the extent exceeding the customary costs of transport, personnel, travelling, living, dismantling and reassembly of the defective parts.

13.3 Liability for express warranties

Express warranties are only those which have been expressly specified as such in the order acknowledgement or in the specifications. An express warranty is valid until the expiry of the guarantee period at the latest. If a taking-over test has been agreed, the warranty shall be deemed to have been fulfilled as soon as the test results prove the relevant quality or capacity. If the express warranties are not or only partially achieved, the customer may first of all require Coperion to carry out the improvements immediately. The customer shall give Coperion the necessary time and possibility of doing so and allow Coperion a period of respite.
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If such improvements fail completely or in part even after repeated attempts at such improvements, the customer may claim such compensation as has been agreed before for such case, or, if such an agreement has not been made, a reasonable reduction of price. If, however, the defects are of such importance that the supplies and services cannot be used for their specified purpose, or if Coperion is incapable of remedying such defects, then the customer shall be entitled to refuse acceptance of the defective part or, if partial acceptance is economically not justified for it, to terminate the contract. In such case Coperion can only be held liable for reimbursing the sums which have been paid to it for the parts affected by the termination.

13.4 Exclusions from the liability for defects
Excluded from Coperion's guarantee and liability for defects are all deficiencies which cannot be proved to have their origin in bad material, faulty design or poor workmanship, e.g. those resulting from normal wear and tear and corrosion, improper maintenance, failure to observe the operating instructions, excessive loading, use of any unsuitable material, influence of chemical or electrolytic action, building or erection work not undertaken by Coperion, or resulting from other reasons beyond Coperion's control.

13.5 Supplies and services of subcontractors
For supplies and services of subcontractors requested by the customer, Coperion assumes guarantee and liability for defects only to the extent of such subcontractors' guarantee and liability obligations.

13.6 Exclusivity of guarantee claims
With respect to any defective material, design or workmanship as well as to any failure to fulfill express warranties, the customer shall not be entitled to any rights and claims other than those expressly stipulated in Clauses 13.1 to 13.5.

13.7 Liability for additional obligations
Coperion is only liable to the extent of unlawful intent or gross negligence as far as claims arising out of faulty advice and the like or out of breach of any additional obligations are concerned.

13.8 Liability for design and engineering work
With respect to faulty design and engineering work, Coperion guarantees that it shall repair or replace the faulty work at its account. Design and engineering faults are to be notified to Coperion in writing within seven days after their discovery. Coperion shall not be liable for design and engineering or changes to design and engineering which the customer requests despite Coperion's reservations expressed.

Moreover, Clauses 13.1, 13.3, 13.5, 13.6 and 13.7 shall apply accordingly. The guarantee shall start at the time of dispatch of the design and engineering work or works.

13.9 Liability for software
The provisions mentioned in Clause 13.8 apply accordingly to defective software for which Coperion has granted the customer right of use. The guarantee shall start at the time of dispatch of the software works.

13.10 Liability for items furnished by customer
Coperion shall not be liable for items, services, drawings or documents furnished by customer, irrespective of whether these have been approved by Coperion and/or connected with or used for Coperion's supplies/services. If claims are asserted against Coperion or damage is incurred by Coperion in this respect, Purchaser shall release Coperion from all claims in this connection and indemnify it for all damage and expenses incurred.

14 Termination of the contract by Coperion
The contract shall be adapted appropriately, if unforeseen events considerably change the economic effect or the content of the supplies or services or considerably affect the activities of Coperion, or if performance subsequently becomes impossible. In so far as such adaptation is economically not justifiable, Coperion shall be entitled to terminate the contract or the parts affected thereby. If Coperion wishes to terminate the contract it shall - after having recognised the consequences of the event - immediately inform the customer; this applies even if an extension of the delivery time has been agreed before. In case of termination of the contract Coperion shall be entitled to the payment of those parts of the supplies and services, which have already been carried out. Claims for damages on the part of the customer because of such termination are excluded.

15 Exclusion of further liability on Coperion's part
All cases of breach of contract (non-performance, delay and liability for defects) and the relevant consequences as well as all rights and claims on the part of the customer, irrespective on what ground they are based, are exhaustively covered by these general conditions of sale. In particular, any claims not expressly mentioned for damages, reduction of price, termination of or withdrawal from the contract are excluded. In no case whatsoever shall the customer be entitled to claim damages other than compensation for costs of remedying defects in the supplies. This in particular refers, but shall not be limited, to loss of production, loss of use, loss of orders, loss of profit and other direct or indirect or consequential damage. This exclusion of liability, however, does not apply to unlawful intent or gross negligence on the part of Coperion, but does apply to unlawful intent or gross negligence of persons employed or appointed by Coperion to perform any of its obligations. This exclusion of liability does not apply as far as it is contrary to mandatory law.

16 Exclusion of Coperion's liability in the event of embargoes or similar occurrences
Supply and services (the fulfilment of contract and liability for defects) shall be under the proviso that fulfilment is not being restricted by any national or international regulations, particularly export control regulations and embargoes or any other restrictions. The contract partners shall be obliged to provide all information and documentation needed for the export/shipment/import. Delays caused by export checks or licensing procedures shall override any lead times or deadlines stipulated. The customer shall have no claims whatsoever against Coperion for damages or reimbursement of expenses relating to failures to meet time-limits, non-performance of the contract and/or warranty works on account of export control regulations, embargoes or any other restriction.

17 Right of recourse of Coperion
If, through actions or omissions of the customer or of persons employed or appointed by it to perform any of its obligations, personal injury or damage to the property of third parties occurs and if a claim is made against the Coperion, then the latter shall be entitled to take recourse against the customer.

18 Erection, commissioning and service work
If Coperion is to provide erection, commissioning or service work, Coperion's terms and conditions for erection, commissioning and service work and the rates specified therein shall apply in addition hereto.

19 Integrity Clause
The parties undertake to take all necessary measures to avoid corruption, in particular that no payments, gifts or other advantage will be offered or accepted. The parties undertake to take all necessary measures to avoid corruption, in particular that no payments, gifts or other advantage will be offered or accepted. Failure to meet this obligation shall entitle Coperion to terminate the contract. Coperion shall be entitled to the payment of those parts of the supplies and services, which have already been carried out. Claims for damages on the part of the customer because of such termination are excluded.

20 Arbitration and applicable law
20.1 All disputes, controversies or differences, which may arise between the parties in connection with the contract shall be settled amicably. Should the parties not come to an amicable settlement, such cases shall be finally settled under the current Rules of Concilation and Arbitration of the International Chamber of Commerce (ICC) by one or more arbitrators appointed in accordance with the said rules. The arbitral tribunal shall have its seat in Zurich, Switzerland. The arbitration proceedings shall be conducted in the language of the contract (German or English).

20.2 The contract shall be governed by Swiss substantive law. The application of international commercial law agreements, particularly the UN Convention on Contracts for the International Sale of Goods (CISG), is hereby expressly excluded.

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