



KARL MAYER

WE CARE ABOUT YOUR FUTURE

KARL MAYER Textilmaschinenfabrik GmbH

GENERAL TERMS AND CONDITIONS FOR SERVICE WORKS

1st September 2017

1. Preparations for the service works

In order to ensure that the service works can be carried out promptly, it is essential that the factory building of the ordering party (sold-to-party / customer) is ready, that the machines and machine parts have already been moved into the factory building, and that they are safe from damage of any kind, and that the necessary material for putting the machines into operation is available. It is the ordering party's responsibility to provide all electrical connections and any further supply connections (e. g. compressed air, cooling water) before the arrival of the service staff.

2. Commencement of the service works

The ordering party should call for the service staff only after the machines and machine parts have been placed on site, and all preparatory work has been carried out, so that the service works can be commenced promptly. Costs arising from the nonobservance of these conditions must be borne by the ordering party. The provision of the service staff for the date required always depends on the availability of such personnel at that time and the punctual receipt of any possibly required entry visa.

3. Scope of the service works

Our service staff must carry out the work according to the instructions received from us, on the condition, however, that the machines and accessories are in the original state as delivered and equipped with original components and/or that these original components are readily available. Otherwise, the service staff is authorized to refuse to carry out the work. The costs incurred must be borne by the ordering party, even if the work has not been carried out owing to the above-mentioned reasons. Our service staff is not liable for installations, inspections or repairs of machines which have not been delivered by us or by our affiliated companies (subsidiaries).

The contractor (party accepting the order) has to provide the special tools required for carrying out the service works.

4. Liability for damages

The "all risks" insurance of the unmounted and mounted machines and machine parts covering for example theft, fire and water damage on site is the entire responsibility of the ordering party.

If it is our fault that the article delivered by us is damaged during the service works, we shall be entitled to repair or re-deliver it at our option and at our expense. If due to our fault the ordering party cannot use the supplied item as provided by contract due to missing or incorrect implementation, the provisions concerning warranty/guarantee and scope of liability shall apply first – to the exclusion of any further claims. We are only liable within the scope of these terms and conditions for service works.

In particular, the ordering party is not entitled to any claims for compensation for indirect or consequential damages (e. g. loss of production or lost profit) which did not occur on the object of service itself. Such exclusion of liability shall not be effective in case of intent and gross negligence of the company management or of executives.

We shall assume liability for injury to persons or damage to property – subject to mandatory legal provisions – only in so far as the insurer pays within the scope of the coverage sum and the conditions of our business liability insurance contract; upon request, we will submit a proof of the scope of our business liability insurance.

The entire transportation of the machine and machine parts to the place of destination up to the commissioning by us is the entire responsibility of the ordering party. We do not accept liability for any recommendations made by our service staff. It is the responsibility of the ordering party and/or of the freight forwarder commissioned by the ordering party to transport, unload and set up the machine and machine parts. During these activities, including the choice of the means of transportation, set-up tools and lifting equipment, it is imperative to observe the specifications of the working instructions.

If, during service activities, works are carried out by the personnel of the ordering party or by third parties authorized by the ordering party, it is impossible for our service staff to observe and supervise all the works in detail. Therefore, we cannot be held liable for personal injury or damage to property which arises out of the action or oversight by personnel other than our own.

The ordering party shall be fully liable for claims which, by disregarding the specifications of the working instructions, result from insufficient or faulty tools, lifting equipment or other equipment used, and this also applies when the equipment has been used by our staff members without their objection. If the service activities are delayed without our fault, the ordering party has to bear all the resulting costs (see also passage 2).

5. Assistance to be provided by the ordering party

The ordering party has to make all the preparations to ensure that the service activities can immediately start after the arrival of the service staff and can be carried out without any delay. During the entire service works the ordering party has to provide – at its own expense – the respective auxiliary workers as well as the necessary tools, aids and appliances (e.g. electric drill, lifting bar, ...).

The ordering party is obliged to take the necessary measures required for the protection of persons and property on the assembly/repair site. The ordering party has to inform the service staff about any existing safety and accident prevention regulations, insofar as they are relevant for the service staff. The ordering party should also warn our service staff of special conditions on and near the site (working place), such as electric circuits, explosive and inflammable materials, etc., of which the service staff should be aware during the service works. The ordering party must supply adequate and clean working, eating and changing facilities and well as secured storage for tools and personal items.

Country-specific labor-law obligations, which must be met by the contractor or its personnel, must be timely notified by the ordering party (minimum 4 weeks before). The ordering party is obliged to support the contractor in completing the necessary formalities.

6. Provision of services, material or components and works to be rendered by the ordering party

The ordering party has to provide and/or carry out the following deliveries and services - unless otherwise explicitly agreed in writing:

- Provision of adequate facilities for the tools and personal effects of the service staff (such as a room or cupboard with a lock) as well as adequate sanitary facilities
- Appropriate lighting for the assembly site
- Air conditioning for the assembly site of the machine, in particular compliance with the temperatures and air humidity for the proper machine operation – as stipulated in the contract, beginning with the mounting
- Performance of all the foundation works, installation of cable ducts, cable routes, etc.
- Compressor for air demand, laying of compressed air lines and their connections according to contractor's specifications
- Main electrical connection to the switch cabinet, including the necessary protection (fuses), and/or the test certificates for keeping all essential health and safety requirements
- Provision of the necessary tools, workshop equipment and mounting aids e.g. crane, fork lift truck, hydraulic lifter, etc.
- Provision of all the material required for any possibly agreed trial runs, as well as the necessary energy and aids as well as provision of the operating staff

7. Work carried out on the ordering party's own instructions

Work for which our service staff did not receive any instructions from us, may only be carried out with our permission. The working hours required and all risks involved will be charged to the ordering party, and will be invoiced in accordance with our usual rates including the incidental wage costs. We cannot accept any liability for work which has been carried out without our instructions or without our consent. Arrangements of any kind between the service staff and the ordering party, or orders for spare parts and accessories which are placed with our service staff, are only binding if they are made in writing and confirmed by us.

8. Illness, accident

Our employees are ensured against illness and personal accident. In case of illness, we bear the costs for wage replacement as well as the accommodation expenses and health care costs from the first day of illness. Should a return trip of the ill person or of the accident victim become necessary, we will pay the respective costs for the return trip.

9. Interruption of the service works

Should the ordering party decide to interrupt the work or cause home and return journeys not initially planned, it will be the ordering party's responsibility to bear the respective cost.

10. Completion of the service works

Material delivered by us which is in excess of requirements, or parts which are not required, remain our property and should be returned after the service works – at the ordering party's cost. Such return consignments should be properly packed so that the relevant material is not damaged.

11. Ordering party's confirmation of the service works

The ordering party must always certify in writing the hours of the service works. This is also valid for free-of-charge works for the ordering party.

12. Acceptance

Once the services have been rendered, the ordering party is obliged to accept the service works as soon as the ordering party has been informed about the completion of the works, and after any contractually agreed testing has taken place. The acceptance may not be refused due to any minor defects. The acceptance shall be documented in a written form which has to be signed by the ordering party and by our service staff. Any defects, deficiencies and comments shall be listed in this final acceptance report by the ordering party.

If the acceptance is delayed through no fault of ours, then the acceptance is to be deemed as concluded after a period of two weeks calculated from the notification of completion of the service works.

The acceptance discharges our liability for obvious defects, unless the ordering party reserves the right to assert a certain defect.

13. Accommodation

The accommodation of the service staff shall take place in a hotel or guest house (bed and breakfast inn) conforming to West European standards.

14. Taxes

Any local taxes, duties or other fees which our service staff may have to pay will be borne exclusively by the ordering party.

15. General terms of delivery and payment

In addition to these general terms and conditions, the general terms of delivery and payment of KARL MAYER Textilmaschinenfabrik GmbH apply as amended.

These general terms and conditions for service works shall replace all previous conditions, similar or other.