

Installation Service Terms and Conditions/BHS
of
BHS CORRUGATED Machinery (Shanghai)
(Version: 27th of Oct 2011)

1. Scope of Application

These Installation Service Terms and Conditions shall be applicable in addition to the Terms and Conditions of Sales/BHS – Machines, Plants -, the Terms and Conditions of Sales/BHS - Commissioned Orders – and the Service and Spare Parts Terms and Conditions, of BHS CORRUGATED Machinery (Shanghai) (in the following referred to as „BHS CORRUGATED“), for all installation and maintenance work carried out by BHS CORRUGATED’s technical staff at the Customer’s site. The Terms and Conditions of Sales/BHS – Machines, Plants -, the Terms and Conditions of Sales/BHS - Commissioned Orders – and the Service and Spare Parts Terms and Conditions/BHS of BHS CORRUGATED, are hereby made an integral part of these Installation Service Terms and Conditions. In the event of a contradiction between these Installation Services Terms and Conditions and the Terms and Conditions mentioned above of BHS CORRUGATED, the provisions of the Installation Service Terms and Conditions shall prevail.

2. Duties of the Customer on Site

The Customer shall, at his own expense, provide the following technical assistance:

- 2.1 Allocate the qualified technical staff required for the period of installation or maintenance work such as, but not limited to, crane drivers, fork lift truck drivers, bricklayers, locksmiths, electricians etc. as well as additional helpers. These workers shall be chosen in close consultation and agreement with BHS CORRUGATED, with BHS CORRUGATED being entitled to refuse unsuitable staff and have them replaced by other workers. When asked to assist in BHS CORRUGATED’s work, the customer’s workers shall follow the technical instructions of BHS personnel.

BHS CORRUGATED shall be liable for any damage caused by the Customer’s workers should BHS personnel have given them wrong instructions which caused the damage. In all other cases pursuant to this clause 2.1, subpara 2, the Customer shall be liable in addition to his staff.

- 2.2 Provide the required equipment and lifting devices such as stackers, cranes, as well as materials such as lubricants, cleaning and incidental materials and, cutting device, compressed air and electricity.
- 2.3 Provide suitable recreation rooms, restrooms and work rooms for storing the personal luggage, tools and other equipment of BHS personnel. The Customer, at his own expense, shall provide replacement if any of the aforesaid objects are lost or damaged due to insufficient locking. Clause 7 of the Installation Services

Terms and Conditions is hereby referred to.

- 2.4 Provide all structural work, in particular laying the required foundations, which shall be ready for loading, before the start of installation.
- 2.5 The Customer shall ensure that all required measures for the safety of life and health of BHS personnel, e.g. safety of their workplace and compliance with all existing safety regulations shall be taken. In the case of installations abroad, the Customer, upon request of BHS CORRUGATED, shall take all safety measures for the protection of BHS personnel’s workplace requested by BHS CORRUGATED.
- 2.6 If training courses are held at the Customer’s premises, the Customer shall make available, at his own expense, class rooms, technical aids as well as any other operating capacities required for a plant operation training.
- 2.7 Should the Customer not comply with these obligations described in item 2, BHS CORRUGATED shall be entitled, but not obligated, to perform these activities, or have them performed at the Customer’s expense or to discontinue its work until the Customer has fulfilled his duties. Such justified discontinuance shall establish a default in taking delivery on the part of the Customer.

3. Installation of Third Party Products

- 3.1 The Customer shall point out to BHS CORRUGATED any third party products that were not delivered by BHS CORRUGATED not later than when such third party products are being provided. BHS CORRUGATED shall not be obliged to inspect or examine such third party products for defects or suitability. BHS CORRUGATED’s liability in such cases shall be limited to its own performance. In particular, BHS CORRUGATED shall not be liable in any way for any indirect or consequential damage except in cases of intent or gross negligence on the part of BHS personnel.

- 3.2 Should the Customer not inform BHS CORRUGATED of the use of third party products as agreed upon in clause 3.1, BHS CORRUGATED shall be entitled to estimate any additional expenses during installation resulting directly or indirectly from the use of such products in comparison to the use of spare parts delivered by or via BHS CORRUGATED and to invoice this estimated expenditure at its list prices to the Customer. The Customer shall be free to prove that the additional expenditure estimated by BHS CORRUGATED would also have been necessary, as a whole or in part, if spare parts delivered by or via BHS CORRUGATED had been used.

4. Bearing of Risk and Deadlines

In cases of force majeure within the meaning of the Terms and Conditions of Sales/BHS – Machines, Plants -, the Terms and Conditions of Sales/BHS – Commissioned Orders – and the Service and Spare Parts Terms and Conditions/BHS of BHS CORRUGATED or discontinuance according to clause 2.7, the Customer, after the removal of the impediment, shall extend all contractual deadlines set for BHS CORRUGATED to the extent required. Any additional expenses for BHS CORRUGATED resulting from such a delay shall be borne by the Customer.

5. Costs

Where applicable, BHS CORRUGATED shall deliver objects pursuant to the specifications stated in the contract or order confirmation and their exhibits or attachments. Installation materials, for instance for the supply and discharge of water, waste water, steam, glue, electricity, ventilation, noise protection, oil etc. are not part of BHS Service's scope of delivery and shall be provided by the Customer. If BHS CORRUGATED supplies these materials on the basis of a special agreement, it will invoice these materials separately.

6. Performance Records

- 6.1 BHS personnel shall submit daily performance records to the Customers or its representative as evidence of the work hours spent. When the Customer has signed these records, they shall be binding for both parts and be the basis for the invoicing of labour costs by BHS CORRUGATED.
- 6.2 Whenever acceptance procedures have been agreed upon, the Customer shall carry out and sign acceptance as soon as possible after he has been notified of the plant's readiness for acceptance. Otherwise, the Customer will inspect the installation work for completeness and faultlessness immediately after completion and notify BHS CORRUGATED in writing of any defects detected.

7. Insurance

The Customer, at his own expense, shall provide for the protection of the objects supplied by BHS CORRUGATED and BHS CORRUGATED' installation tools against fire and theft by taking out and furnishing evidence of relevant insurance policies, with the insurance sum covering the value of such objects and tools. After the transfer of risk, BHS CORRUGATED, irrespective of who is at fault for a fire or theft damage incurred, shall not be liable except in cases of intent or gross negligence on the part of officers or employees of BHS CORRUGATED.