



Terms of Assembly

of NSM MAGNETTECHNIK GMBH & Co. KG, P. O. Box 1 33, 59399 Olfen/Germany

Foreign Countries

07/2004

I. Scope of application

The terms and conditions mentioned hereinafter apply to NSM MAGNETTECHNIK GMBH & Co. KG (“NSM”) assembly works and services which are effected by the NSM assembly and service personnel outside our plant. In conjunction with NSM’s “*General Terms and Conditions*” our “*Terms of Assembly*” override any conditions contained in or on a Client’s order or other document.

II. Price for assembly works and invoices

1. The assembly work will be invoiced as per indicated time sheets, unless a lump sum price has been agreed upon beforehand.
2. The amounts agreed upon are meant without V.A.T., which must additionally be refunded to the assembly employer at the amount of the legal rate
3. Payment without any kind of deduction has to be effected by the customer upon receipt of the installation/assembly invoice
4. The working times as well as waiting and travelling times will be indicated on time sheets for each installation mission – even when the installation is carried out for the customer free of charge. The fitter will present these time sheets after carried out work and after approval of the work by the customer to the customer requesting him to sign these accordingly. The according hours for the return journey will be recorded afterwards on the time sheet i.e. after returning from the travel.
5. Please note, that the indicated hours on the time sheets by the NSM-fitters apply and are binding, should it be, that the customer or his representative in charge is absent upon completion of the assembly work or repair work, so that it is impossible for the NSM-fitter to receive a confirmation signature of the working hours.
6. The mentioned amounts are the present valid assembly rates. We reserve the right to invoice the customer with the assembly rates, which are applicable at the date of assembly.
7. NSM is entitled to invoice travel allowances from the beginning until the end of a journey.
8. Smaller expenses of our service personnel for telephone, postage, luggage, taxi, motorway fees, etc. will be invoiced as per the amount of the cash expenses incurred.
9. As a rule, the assembly is invoiced ex works.
10. Invoices for assembly costs are made out upon completion of the assembly works or, if the assembly works take a longer time for completion, invoices will be sent out to the customer after certain time periods.



11. Holding back payments due to any counter-claims on behalf of the customer is not allowed, nor the balancing with counter-claims.
12. If the fitters visit several customers during their travel, the rates of travel allowance, travel time and travel expenses are invoiced proportionately from the spot of journey begin until the spot of journey end.
13. We will invoice the customer for transport cost, freight and return carriage for heavy tools (hoist tools, welding apparatus as well as machine transport devices).
14. Should it be, that the installation works are being delayed for reasons for which NSM cannot be held responsible for, the customer will have to pay for arising costs thereof - such as waiting times and for possible necessary travel home and return travel of our fitters. The same applies to the case, when the installed machines after completion of the installation works cannot be started up immediately by the NSM-fitters again for reasons for which NSM cannot be held responsible for. Consequently therefore a renewed journey there by our personnel would be necessary.
15. As a rule it is necessary to carry out according adjustment works on the machines when setting them up, as for many reasons the original conditions in practice cannot be reconstructed at the NSM-plant when carrying out the test runs of the ordered systems. These adjustment working times will be calculated on the invoice.
16. If the replacement of our assembly personnel becomes necessary for any reasons beyond our responsibility, we will have to invoice the customer for the costs incurred.

III. Working time

1. The daily working time of our fitters from Monday to Friday is 7.4 hours; the core working hours per week are laid down to 37 hours.
2. Overtime, Saturday, Sunday and holiday work can only be carried out in emergency cases upon special request of the customer.
3. When exceeding the maximum legal daily working time and in case of Sunday and holiday work, the customer is responsible for obtaining a special case authorisation at the according authority in charge.

IV. Support by the customer

1. The customer has to support the NSM-service personnel during the entire installation period at his own expense.
2. The customer has to take special measures in regard to safety protections of persons and working things at the assembly spot. He also has to inform the chief-fitter about special safety rules as far as they concern the NSM-service personnel.
3. The customer is obliged to take care for the security at the place of work, to obey to the existing safety rules, to take care of suitable working conditions as well as to obtain necessary authorisations at the according authorities in charge - for example for possible extra work.



V. Technical assistance through the customer

NSM will send out the fitters as quickly as possible upon request of the customer. However, this requires from the customer that the following below-mentioned technical assistance measurements have to be carried out:

1. Availability of necessary assistance personnel.
2. Carrying out of all earthworks, building works, foundation/bedding works and scaffolding works, including the obtaining of the required building material.
3. Making the necessary required equipment available as well as heavy tools (such as lifting equipment, forklift trucks, mobile cranes, overhead cranes, working platforms, scaffolding...) as well as the required goods and materials (e.g. assembly wood, blocks, bases, cement, plaster and sealing materials, lubricants, driving cords and belts).
4. Making available heating, illumination, motive power, water, including all required connections.
5. To put dry and lockable workplaces, lounges and stockrooms.
6. The windows and doors of the production hall have to be inserted and possibly required recess in walls have to be available so that installation material can be brought into the hall.
7. To make materials available and to carry out all other actions, which are necessary to adjust/install the delivered product/machine. He also has to make sure, that the NSM-service personnel can carry out the relevant contractual test runs of the product/machine.

Due to the technical assistance of the customer, the customer ensures, that the installation can be immediately carried out by our NSM-service personnel upon arrival and without any delays until the buy-off of the installed system by the customer. The customer will put special drawings or instructions at disposal of the installing company on time, as far as they are required.

If the customer does not meet his responsibilities, the installing company is entitled to, however, not obliged to, to carry out the duties of the customer on his behalf and at his expense. Besides this aspect the legal rights and claims of the installing company remain unaffected.

VI. Acceptance test

1. The customer has to check and sign off the installation as soon as he has been informed about the finishing off of the installation. When there are no considerable defects, the customer cannot refuse to sign off and accept the carried out installation i.e. when NSM expressly emphasis to remove the defects as quickly as possible.
2. Should it be, that the check and acceptance of the installation by the customer has to be delayed for reasons, for which NSM cannot be held responsible for, the installation is regarded as accepted when more than two weeks have passed after NSM has informed the customer, that the installation has already been finished.



VII. General Terms

1. Any statements made by NSM in advance in regard to the duration of the installation works are approximate and non-binding.
2. Our fitters only assemble the NSM-systems. Should it be, that our personnel is instructed to carry out other kind of works by the customer, please note, that we cannot be held responsible for these. When works of such kind shall be carried out, this has to be agreed upon in any case beforehand by the customer with NSM.
3. Our fitters are not entitled to make any agreements with the customer in the name of NSM.
4. NSM is not responsible for damages, which are caused by our fitters, technicians or engineers while they are carrying out the works.
5. The customer is liable for any damage of equipment or loss of apparatus and tools made available at the place of work. This also applies to personal equipment of our assembly personnel.
6. Please note, that in particular in regard to liability for faults in delivery as well as in regard to the place of performance and court of jurisdiction NSM's "*General Terms and Conditions*" in conjunction with NSM's "*Terms of Assembly*" override any Conditions contained in or on a Client's order or other document.

VI. Validity

These Terms of Assembly shall apply unless cancelled.