



PVS-Kunststofftechnik GmbH & Co. KG

Special Terms and Conditions for Works and Service Contracts

Version of 2004

Preamble

PVS assigns work to Contractors in accordance with the following Terms and Conditions; the machines, tools and appliances used for the performance of the orders either exist on the Contractor's premises or are provided by PVS. In the course of the work, goods (intermediate products) of considerable value are handed over regularly for further processing.

As PVS is obliged to grant their purchasers a comprehensive warranty and needs to comply with due dates under all circumstances, the Contractor is put under obligations as well in deviation from the provisions of the law. PVS has concluded fixed contracts with his purchasers which demand a high degree of reliability of PVS and which, in addition, provide for high penalties for default and impose extraordinary requirements regarding the rights under the warranty. It must also be noted that a large part of the products of PVS is intended for use by private consumers and that, for this reason, the consumer protection laws and regulations must be complied with in any case. The compliance of the supply contracts with the purchasers is of existential importance for PVS.

In this context, it must also be kept in mind that the Contractor is handed over parts for processing which are regularly of very high value, also from a financial point of view; for this reason, PVS has an interest in the special protection of said objects of value.

The subsequent improvement of work pieces by the Contractor will not be possible due to the unconditional obligation of PVS to comply with due dates and due to the demands resulting from the certification of PVS.

The contractual relationship between PVS and the Contractor shall be governed by the General Terms and Conditions of Purchase of PVS unless otherwise agreed in the following.

1. The Contractor undertakes to perform in accordance with the enclosed construction drawings, orders, samples or data. Said enclosures shall form integral parts of the agreement.
2. The scope of activities and the type of performance shall result from the instructions given by PVS; further details will also be regulated in the enclosures mentioned in Section 1.
3. The Contractor shall keep records of the activities performed and their duration; on the request of PVS, he shall provide the names of his staff members involved in the performance.

The Contractor shall submit a sound schedule of dates to PVS in writing immediately but no later than two working days after the acceptance of the order; it shall indicate the dates of the end of all agreed manufacturing stages and of the overall completion. Information on the current production status shall be provided to PVS in writing every two weeks.

The dates contained in the schedule of dates shall be fixed dates and shall be complied with in any case.

If the object of the contract is a particular construction, it shall be presented to PVS for releasing in good time before the commencement of production.

In case the due dates are exceeded (even by small periods), PVS shall be entitled to terminate the contractual relationship in writing without notice. In such case, the Contractor shall hand over the provided goods – even if part of the processing has already been performed – immediately and shall deliver them to the premises of PVS at his own expense and risk no later than the calendar day following the termination. If no delivery is performed by the time limit, the Contractor shall permit the collection by PVS; for this purpose, he hereby grants PVS and its authorized staff permission to access his site and, if necessary, his office rooms. The collection shall be performed at the Contractor's expense.

In case the date of delivery or acceptance, which shall also be a fixed date, is exceeded, PVS may, instead of the termination of the contract without notice, claim a genuine contractual penalty amounting to 5% of the order value per calendar day from the Contractor.

PVS shall be free to claim compensation for any other damage caused by default.

4. In case supervised working hours have been agreed, the Contractor shall produce supervision reports and assure with the signature of an authorized representative that they are true and correct. The supervision reports shall be submitted to the Customer by facsimile on the same day.

5. If the Contractor provides the appliances and tools necessary for the performance himself, they must be in a proper condition so that any risks for third parties will be excluded.

If the above-mentioned appliances and tools are provided by PVS, they shall be marked specially and clearly as property of PVS and maintained and cared for in accordance with the applicable standard. After the completion of the order, they shall be returned at the plant of PVS immediately.

Any provided goods (intermediate products) shall also be marked as property of PVS – clearly and without any harm to the substance or value of the goods – by means of suitable measures of the Contractor.

6. For the risk of the destruction of, or damage to, provided goods (intermediate products), for any tools of PVS and for the compliance with warranty obligations, the Contractor shall take out a liability insurance policy which fully covers said risk. On the request of PVS,



the existence of such insurance shall be proved in writing, by sending a copy of the relevant policy if appropriate.

In exceptional cases, the liability insurance may be waived by means of a written agreement; in such case, a bank guarantee may be provided (as a principal debtor and with the plea of unexhausted remedies being waived).

7. If a defect exists or assured properties of the work are missing, PVS shall, in deviation from the statutory provisions on warranty, not be obliged to grant the Contractor the possibility of subsequent improvement. PVS may commence the substitute performance immediately after a complaint has been made. The necessary expenses shall be borne by the Contractor. For this purpose, PVS may retain at least three times the amount which would be incurred for the elimination of the defect.

Any further rights of PVS, particularly the right to receive damages due to non-performance, shall remain unaffected.

The claims of PVS due to defects or the absence of assured properties shall become statute-barred after 30 months. The period of limitation shall commence at the time of the acceptance of the work or the contractual performance, respectively.

After prior agreement, the Contractor shall be given the opportunity to eliminate the defect on the premises of PVS. After the inspection, he shall make suggestions to PVS which indicate how it will be possible to exclude such defect in the future.

8. The Contractor undertakes to immediately provide a certificate of his commercial activity related to the objects of the contract.

9. The agreed price for the work shall be a fixed price. Any additional costs will not be taken over without a written confirmation from PVS.

10. A requirement of written form exists. For this reason, all declarations concerning the contract and its performance must be in writing; oral collateral agreements do not exist unless they are confirmed by both Parties in writing.

Exceptionally, orders having a net order value of 200 euro may be placed orally in particularly urgent cases or in order to avoid loss or other costs. Even in the case of a higher value, the oral placement of orders shall be possible. In such case, however, the oral order shall be confirmed in writing immediately but no later than the following calendar day. For such orders, the Contractor shall state a definite price as a fixed price within the meaning of Section 9.

11. Should individual provisions of these Terms and Conditions be ineffective, the other ones shall remain unaffected by this partial ineffectiveness. The ineffective provision shall be replaced by a regulation which comes closest to it commercially.

You recognize the General Terms and Conditions of Purchase of PVS Kunststofftechnik.

