

AMADA General Conditions of Purchase

I. Order and Order Confirmation

1. Amada may cancel the order if the supplier has not confirmed acceptance of the order confirmation in writing within two weeks of receipt.
2. Any alterations, amendments or additions to the order shall only become a part of the agreement, if Amada accepts such in writing. In particular Amada is bound by the general terms and conditions of the supplier only to the extent that these are in accordance with Amada's own General Conditions of Purchase or if Amada agrees to such in writing. The acceptance of deliveries or services as well as payments does not constitute such an agreement.

II. Right of Use

The supplier hereby grants Amada a non-exclusive, transferable, worldwide and perpetual right to use the deliveries and services, to integrate them into other products and to distribute them worldwide.

III. Terms and Penalty for Breach

In the event of delay Amada may charge a penalty in respect of each commenced working day of delay amounting to 0.3 percent (0.3%) but not exceeding a total of 5 percent (5 %) of the total value of the contract.

IV. Transfer of Risk, Dispatch and Place of Performance

1. For deliveries involving installation, commissioning or services, the transfer of risks occurs on acceptance and for deliveries not involving installation or commissioning the transfer of risks shall be upon receipt by Amada at the designated place of receipt.
2. The deliveries are to be packed in such a manner that the packing will be suitable for the agreed mode of transport and that the delivery may withstand the transport without any damage. Damages due to insufficient packing are to be borne by supplier. The same applies to any supplementary costs arising from non-conformity with the transport requirements. Where the price is quoted delivery free to the recipient Amada may also determine a method of transportation. Any supplementary costs arising from the need to meet the delivery deadline by way of expedited delivery shall be borne by the supplier.

V. Payments

1. Unless otherwise agreed payment shall be due and payable no later than thirty (30) days net.
2. The period for payment shall commence as soon as any delivery or service is completed and a correctly issued invoice is received. In so far as the supplier is required to provide material testing, test records or quality control documents or any other documentation, such shall be part of the requirements of the completeness of the delivery or performance.

VI. Inspection upon Receipt

Amada shall immediately upon receipt examine whether a delivery corresponds to the quality on type of product ordered and whether there are any external recognizable transportation damages or other deficiencies and shall inform the supplier accordingly.

VII. Warranty

1. Amada's legal claims for correction of faults and deficiencies shall not be limited. In any case Amada shall be entitled to claim from the supplier at Amada's option either to remedy the defect or the delivery of a new product. Amada expressly reserves its right to claim damages especially the right to claim damages instead of the delivery.
2. In case the supplier is in delay with its supplementary performance Amada shall be entitled to undertake any removal of defects at the expense of the supplier.
3. The supplier shall bear the costs and risk related to the costs for return of defect products.
4. The warranty period for deficiencies of material is three (3) years.
5. The warranty period begins to run with the transfer of risk (see section 4.1). Upon delivery to locations where Amada is operating outside its premises the warranty begins with the acceptance by Amada's end customer, in no case later than 1 year after the transfer of risk.

VIII. Tool, Patterns, Samples, Confidentiality etc.

1. Any tools, patterns, samples, models, profiles, drawings, standard specification sheets printing templates and materials provided by Amada as well as any materials derived therefrom, shall not be made available to any third party nor use for any other purpose than those contractually agreed except with the prior written consent of Amada.
2. The supplier shall not make available to any third party any information obtained from Amada if such information is not already general knowledge or has not been lawfully obtained otherwise by the supplier. In so far as Amada agrees to any subcontracting to a third party any such party shall agree to such terms in writing.

IX. Code of Conduct for Suppliers

1. The supplier is obliged to comply with the laws of the applicable legal systems. In particular the supplier will not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or any child labor.
2. Amada may withdraw from or terminate the contract in case of supplier's culpable breach of the obligations under this section 9.

X. Miscellaneous

1. For the content and scope of the parties' obligations the following material parts of the contract shall be applicable in the following order of priority:
 - The purchase order
 - The additional contractual conditions as well as special and general technical conditions explicitly mentioned in the purchase order
 - The protocol of placing for orders (as far as available) and its Annexes
2. German law under exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall be applied.
3. Place of jurisdiction shall be Wuppertal/Germany