

# Machine installation terms and conditions



## I. General information

1. These machine installation terms and conditions are valid together with the MIKRON price lists in force at the time when work commences and are applied to work carried out by MIKRON staff or personnel working on behalf of MIKRON on MIKRON machines, if not expressly agreed otherwise in writing. Different or additional conditions requested by the client will only be valid if expressly accepted in writing by MIKRON. The execution of the supply by MIKRON does not signify acceptance of other terms of the client. MIKRON considers the client's acceptance of the supply as acceptance of these machine installation terms and conditions, even in the event that the client has expressly contested them in the past or has made reference to other terms in his order.
2. In the absence of other agreements, the "General conditions covering the sale and installation of machines" apply to the supply of machines and accessories; the "Terms of supply of spare parts" apply to the supply of spare parts.
3. For the "Spare Part Service", "Xchange Service", "Product Support" and "Business Support" service levels the corresponding integrative contracts apply, which have priority over the present machine installation terms and conditions.
4. The contract conditions, including those cited herein, are to be found in the home page of Mikron Holding, website [www.mikron.com](http://www.mikron.com).

## II. Drawing-up the contract

1. All of the legally relevant agreements and clarifications existing between the contracting parties must be drawn-up in writing, penalty their nullity, and will only be legally valid when received by the counterpart. Only written agreements will be binding for the agreed supply of goods and services and they substitute any promises that may have been made regarding such parts. Offers will only be considered binding if designated as such. Offers are always based on the supposition that the services offered can be supplied without delays and in the most direct way.
2. The documents included in the offer are purely indicative for the client and must not be considered as an agreement of the characteristics or as acceptance of a guarantee concerning the characteristics of the goods or services described and must not be transmitted to third parties.

## III. Extent of installation

1. In the absence of other agreements arising from written contracts between MIKRON and the client, the extent of the installation order is based on the order sent by the client. It will be carried out in accordance with the instructions and MIKRON directives related to the machine or systems in question. MIKRON is authorised to choose whether to use their own personnel or to engage a third party to carry out the work. The engagement of a third party will not alter the commitment of MIKRON or the client under this contract in any way.
2. Any requests from the buyer for modifications and/or variations must be submitted in writing. MIKRON reserves the right to accept the customer's request after checking for feasibility of the modifications and/or variations. The costs and charges necessary for making the modifications and/or variations shall be borne exclusively by the buyer. The parties shall determine the new installation completion date duly taking into account the times required for implementing the modifications and/or variations.

## IV. Working hours

1. Normal working hours are 40 hours per week. If, for reasons outside of MIKRON's control, short time must be enforced, normal working hours will be calculated.
2. The hours between 6 a.m. and 8 p.m. in excess of the normal working hours are considered overtime.
3. Working hours between 8 p.m. and 6 a.m. are considered night work.
4. Work carried out between midnight and midnight of Sunday and local holidays are considered as Sunday work. Our personnel are only authorised to carry out work on Sundays and holidays for urgent matters with the client's agreement and prior to our consent.

## V. Waiting time

If the personnel are obstructed in carrying out the work or detained on completion of the work for reasons that cannot be attributed to MIKRON, the time lost will be considered waiting time and will be calculated as normal working hours. The same applies for working time lost following to local holidays.

## VI. Installation completion

1. A deadline or a date for installation completion is only compulsory if accepted in writing by MIKRON. This contractually agreed date never starts before the production of all of the approvals, the permissions and authorisations, before complete receipt of all of the client's data and documents necessary for completing the contract (in particular the technical specifications, the data regarding the power supply, etc.), before the client has complied with his commitments in accordance with points VII and IIX and in any event not before the receipt of a partial payment that may have been agreed on and the presentation of a payment guarantee in conformance with the contract.
2. MIKRON is only bound to respect the installation completion date if the client has complied with all of the commitments deriving from previous contracts with MIKRON. The installation completion date will be proportionally extended when the client is in moratorium with the fulfilment of his commitments.
3. The installation completion date will be suitably extended in case of impediment owing to force majeure or exceptional circumstances, or when obstacles arise that are outside of MIKRON's control, whether they may occur with MIKRON, the client or third parties. These types of obstacles include epidemics, mobilization, events of war, revolts, industrial unrest, natural events during operation, institutional provisions, bans on import, export, transit, etc. The consequences and deriving costs shall be subdivided in proportion to the damage incurred by both parties. The beginning and end of significant impediments will be communicated to the client by MIKRON in the shortest time possible.

4. No compensation will be due for delays in the installation and supply if carried out by third party suppliers prescribed by the client.
5. If the commencement of installation is delayed for reasons attributable to the client, the latter must in any case make the payments based on the original time of installation. In this case, all of the agreements related to the machine installation terms and conditions cease to be valid and new agreements must be made between the client and MIKRON. MIKRON is authorised to request increased prices, supplying suitable justificatives.
6. Every time that the client is late in fulfilling his contractual commitments, MIKRON is authorised, in addition to exercising his rights in accordance with para. 10.7, General Sale conditions, to rescind the contract and request compensation for damages suffered from the breach of contract. Damage is considered to be an amount equal to 20% of the order value; further damages must be demonstrated. Damages will be compensated using the partial payment made. This rule also applies in the event of cancellation of an order already in execution.

## VII. Auxiliary labour and installation material

MIKRON will inform the client in good time, before work begins, of the auxiliary labour, installation materials and other equipment that will be required, which must be supplied free of charge by the client in order to enable the installation order to be carried out. In the event that the client does not fulfil this requirement, he must bear the extra costs necessary for the substitute supply by MIKRON. In this case MIKRON can insist that the cost of this substitute supply must be anticipated by the client.

## VIII. Auxiliary tools, means

1. MIKRON will provide all of the tools required for the installation. The client, at his own expense, must provide a lockable room for storing such equipment. On completion of the installation the tools and objects provided by MIKRON must be returned to MIKRON at the client's expense.
2. The client must ensure that the machine and systems are clean and are freely accessible to MIKRON personnel.

## IX. Work not covered by the contract

Without express permission from MIKRON it is forbidden for the client to employ MIKRON personnel in work that is not covered by the installation contract.

## X. Control and acceptance of the installation

1. The assembled machines and systems are ready for acceptance when they can produce fit work. This also applies when parts of little importance are missing, when adjustments are necessary or when the assembled machines or systems cannot be operated for reasons not attributable to MIKRON.
2. As soon as the client is notified that the assembled machines or systems are ready for acceptance, he must immediately check the installation together with the installation manager and must immediately notify MIKRON and the installation manager of any shortfalls in writing. If shortfalls are not reported within four working days of notification of the systems being ready for acceptance or if the system is used for production before acceptance, the installation is considered to be approved.

## XI. Warranty

1. If a longer warranty has not been agreed in writing for the assembled machines and spare parts, MIKRON guarantees that the work ordered will be carried out perfectly. The warranty period is three months from the date of acceptance of the assembled items.
2. The warranty ceases to be valid in the event of improper use, changes and/or repairs carried out on the assembled items by the client or third parties, or if they do not give MIKRON the possibility to take action to eliminate the damage. The client must also take action to prevent the damage from worsening.
3. The warranty does not cover damages that cannot be proved to be due to the use of poor materials, bad construction or defective execution, for example those caused by natural wear, improper maintenance, failure to comply with the instructions for use and/or safety regulations, excessive loads, improper operation means, chemical or electrolytic agents, installation or construction work not carried out by MIKRON or their sub-suppliers and damage deriving from other causes not attributable to MIKRON.
4. For the supply of goods and services from sub-suppliers prescribed by the client, MIKRON will only be answerable for commitments within the scope of the warranty of the latter.
5. The contract and the "extension of the warranty to 24 months" formula does not include, in the warranty, those prices subject to normal wear and tear such as, for example without this being intended as limited, cam followers, belts, clamping jaws as well as collets. In all cases, the warranty period of the spindles remains for the duration of 12 months or 2500 running hours, and shall take effect from the goods ready for despatch note regarding the machine according to the original sales contract by MIKRON and in all cases, within and not beyond the date of the buyer receiving the machine.

## XII. Prices and payments

1. Work is usually calculated in hours. If not otherwise agreed, the rates indicated in the price lists in force at the time in which the order is carried out are applied.
2. Travelling time, which must be compensated to MIKRON by the client, is the time taken to travel to and from the place of installation, to find the accommodation and the time taken to travel between the accommodation and the place of installation, when there is a considerable distance between these places.

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3. The expenses incurred by the installation personnel during the journey to the place of installation and the time spent in the place of installation are calculated in accordance with the effective time spent.
4. If MIKRON is informed of a substantial deterioration in the client's economical situation or if detrimental factors arise concerning the client, they may request advance payment or guarantees, for the full amount or part of it, or rescind the contract and keep the advance payments received from the buyer by way of compensation for the service or part of it already rendered, without prejudice to the demand for compensation for any damages suffered.
5. The client is not permitted to retain payments or compensate any rights to counterclaims contested by MIKRON or to claim retaining rights on the supply or related to the supply.
6. The partial payments made do not accrue interest and their deposit does not consist in a penalty authorising the client to rescind the supply contract.

## XIII. Fiscal obligations

If the presence of installation personnel should generate any type of fiscal obligation in the place of installation, the relative contributions will be paid by the client, who must fully reimburse such contributions to MIKRON or the installation personnel in question, against presentation of the respective justificatives.

## XIV. Safety regulations in the place of installation

1. All installation work is carried out in accordance with the regulations applied by the European Union. In the event of installation work to be carried out outside the EU, the client must inform MIKRON in writing, no later than the date of order confirmation, of any different rules and regulations.
2. If the client fails to inform MIKRON of different rules and regulations in force or gives false information at the time in which the order is awarded, the client must bear the cost of any modifications, subsequent supplies or other corrective action that MIKRON may have to provide for.

## XV. Safety at work

The client must guarantee a safe workplace for MIKRON staff during the execution of the work. In any case, MIKRON staff are authorised to suspend or interrupt the work if safety at work is not guaranteed. The client must reimburse MIKRON for any damages that may derive from such an event, in addition to the contractual working hours and any related expenses.

## XVI. Sickness and injury

MIKRON staff are insured against sickness and injury. In the event that regulations in force in the place of installation require an additional insurance policy to cover MIKRON staff, the client must provide for this and bear the cost of it.

## XVII. Conclusive regulations regarding compensation

1. All cases of breach of contract and the relative legal consequences as well as all of the client's rights, whatever the legal reason is that they are based on, are definitively regulated by these machine installation terms and conditions. In particular, all rights to compensation for damages, reduction, termination, cancellation or rescission of the contract that are not expressly mentioned are excluded.
2. In any event the client has no right to compensation for damages of any type that are not directly related to the subject of the supply, including suspension of the production, deprivation of enjoyment, loss of orders, loss of profit and other direct or indirect damages.
3. This exclusion of responsibility also applies to cases of malice or serious fault of the auxiliary personnel and in cases in which, according to the law regarding product responsibility, in the presence of errors in the subject of the supply no responsibility is foreseen for damage to people or things for objects destined for private use. This exclusion of responsibility does not apply to cases of malice or serious fault of MIKRON.

## XVIII. Breach of contract by MIKRON

1. The client can only rescind the contract before installation work commences if MIKRON is definitively unable to supply the whole service and if for this reason the client has a justified interest in refusing the complete installation of these products. Otherwise, the client may request the proportional reduction in the value of the service after providing MIKRON with due proof of the damage suffered.
2. If MIKRON incurs delays and if the client, after the agreed date of delivery has elapsed, has conceded various extensions of at least 14 weeks together with the explicit declaration that, in the event that the delivery date elapses fruitlessly, the supply will not be accepted, if the last extension is also not respected, the client will be authorised to rescind if the object of the supply does not fulfil the contractually agreed supply. However, if the object of the supply essentially fulfils the supply agreed, MIKRON will only be bound to compensate for damages for a maximum of 10 percent of the price contractually agreed for the object in question.
3. In the event that the client rescinds, they have a right to compensation for direct damages that they can prove to have suffered, accounting for the obligation to reduce the damage by the substitution of goods. If the rescission is not caused by malice or severe fault of MIKRON, further rights to compensation of damages are excluded.

## XIX. Software

1. If the extent of the installation also includes the supply of software, the non-exclusive right to use the software supplied is conceded to the client, including the relative documentation. This right is conceded for exclusive use only for the object of the supply. It is forbidden to use it for more than one system. It is forbidden to concede sub-licenses.

2. The client may only reproduce, re-elaborate, translate the software or convert the object code to source code for uses permitted by the law. The client must not remove the manufacturer's indications, in particular the copyright references, and must not modify them without explicit prior consent from MIKRON.
3. All other software and documentation rights, copies included, are the property of MIKRON or the software supplier.

## XX. Validity

In the event that the single provisions of these conditions are null or if there are any omissions in these conditions, the validity of the other provisions will remain valid. In the event of the nullity of a provision, both parties will try to commonly agree to find another regulation that comes closest to the objectives pursued by these terms.

## XXI. Place of jurisdiction

1. This contractual relationship is governed exclusively by Swiss law.
2. Swiss law is applicable. The place of jurisdiction is Lugano.

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