I. Applicability, conclusion of contract, scope of supplies and services

1. All supplies and services by AIP GmbH & Co. KG (hereinafter referred to as „AIP“) shall be subject to these Terms and Conditions. Confirmations issued by the Client referring to its own terms and conditions shall only apply to the extent that such terms and conditions of the Client agree with these Terms and Conditions.

Software products of other producers included in the services or supplies of AIP shall also be subject to the conditions of use of the respective producers of such software products.

2. The scope of supplies and services shall be defined exclusively and finally by the written quotation issued by AIP or the agreements concluded in writing between AIP and the Client. Any goods or services not explicitly included in the scope of supplies and services are hereby expressly excluded from the scope of supplies and services.

AIP reserves the right to make changes to the external appearance, equipment or technical details of AIP products to the extent that such changes are not material or the Client can be reasonably expected to accept such changes. AIP shall not be obligated to carry out such changes on products that have already been supplied.

Any subsequent extension or modification to the scope of supplies and services, including any such amendment waiving the requirement for amendments to be made in writing, shall be made in writing. The scope of supplies and services defined above corresponds to the agreed properties of such supplies and services and shall be deemed to constitute final and exclusive agreement between the Parties concerning the properties of such supplies and services.

II. Prices and terms of payment

1. The prices of AIP are net prices plus value added tax at the applicable rate for delivery ex works or ex warehouse. In addition to said prices, the Client shall pay the cost of packaging and, if applicable, installation at the prices of AIP applicable at the time when such work is performed. In the event that more than two months elapse between the placing of the order by the Client and the delivery of the goods or services, AIP shall be entitled to charge its updated current prices except where the Client and AIP have explicitly agreed on a fixed price.

2. Except as may otherwise explicitly be agreed between the parties, any claims of AIP to remuneration shall be due immediately upon the delivery of the goods or the performance of the services concerned. Invoices issued by AIP shall be payable without deduction within 30 days of the date of the invoice. Payments shall not be deemed to have been made in good time unless they are received by AIP in good time. Payments made by the Client to third parties shall not release the Client from its obligations to make payments to AIP unless AIP has previously authorized such third parties to collect such payments.

3. In the event of delay in payment by the Client, AIP shall, notwithstanding any other rights or more far-reaching rights which it may hold in this respect, be entitled to charge interest at 8 percentage points above the base rate at the time of such delay.

4. In the event that AIP agrees in writing that the Client shall be entitled to pay any amounts in instalments and the payment of any such instalment by the Client is delayed by more than one month or is delayed in whole or in part for the third time, the total amount outstanding to AIP at the time of such delay shall become due and payable in one sum immediately.

III. Deadlines for Delivery and Performance

1. In the event that AIP states deadlines for the delivery of goods or the performance of services to the Client, said deadlines will be determined with due care in view of technical and commercial factors but shall not be binding on AIP unless AIP explicitly confirms such deadlines to be binding in writing. Dates and deadlines shall only become binding when they have been explicitly agreed by AIP and the Client to be binding in writing. The obligations of AIP shall be subject to the condition that AIP is able to purchase the goods and services required for the contract. A declaration issued by a supplier of AIP shall constitute sufficient proof that AIP is prevented from supplying goods by reasons beyond its control.

2. In the event that AIP is prevented from performing its obligations under the contract in good time by circumstances of force majeure or other circumstances beyond the control of AIP, including material purchasing problems, disturbances to business operations, strike, lockout, lack of transport capacity, acts by authorities, energy supply problems and similar circumstances, including such circumstances affecting the suppliers of AIP, the period agreed for the supplies and services concerned shall be extended by the duration of such circumstances and the consequences thereof.

IV. Cancellation, changes in time schedules

The Client shall not be entitled to cancel an order which has been accepted by AIP. Nothing contained herein shall affect the rights of rescission of the Client. The Client shall also not be entitled to postpone a delivery date which has been confirmed by AIP. AIP shall decide at its sole discretion on any requests for the postponement of delivery dates made by the Client.

V. Delivery, acceptance, place of performance, transfer of risks

1. The place of performance of any obligations of AIP shall be the delivery warehouse of AIP notified to the Client in the order acceptance issued by AIP or otherwise the registered office of AIP. Unless otherwise agreed between the parties, the cost of transporting goods shall be borne by the Client. Said cost shall also include any taxes, duties and similar charges payable in connection with the transport of goods.

2. The risks associated with goods shall be transferred to the Client at the latest upon the handing over of the goods to the forwarder or other person engaged to transport them. This shall also apply in the event that the parties have agreed that transport costs shall be borne by AIP. Unless otherwise instructed by the Client, AIP shall be responsible for selecting a suitable forwarder.
The risks associated with services to be performed by AIP under a contract to produce a result shall be transferred to the Client upon the acceptance thereof by the Client. In the event that such services are only to be accepted at the point of use and the Client is responsible for transporting the goods concerned from the production facility to the point of use, the risks associated with such services shall be borne by the Client for the duration of such transport. If the acceptance of such services at the point of use is only to be effected following test or trial operation by the Client, the Client shall bear the risks associated with such contract services for the time between the delivery of the goods concerned to the place of use and the beginning of acceptance procedures by AIP.

The provisions concerning transfer of risks stated hereinabove shall also apply to partial or additional services. In the event that delivery or acceptance is delayed or does not take place for reasons for which AIP is not responsible, the risks associated with goods or services shall be transferred to the Client on the day when AIP reports to the Client that the goods and services concerned are ready for delivery or acceptance.

3. AIP shall be entitled to make partial deliveries under the contract to the extent that the Client can reasonably be expected to accept such deliveries.

4. Should the Client fail to collect goods which are to be collected by the Client in accordance with an agreement reached between AIP and the Client on the date agreed with AIP, the Client shall be deemed to be in default of acceptance when the day agreed for collection has elapsed. In the event that an approximate delivery period is agreed, AIP shall be entitled to give the Client two weeks’ notice of the date when the goods to be collected may be collected; in the event that the Client fails to collect said goods by the end of the day or period stated by AIP in said notice, the Client shall be deemed to be in default of acceptance at the end of said day or period. The collection of goods which are to be collected shall be an essential obligation of the Client under the contract.

In the event of default of acceptance by the Client, AIP shall be entitled to charge the Client liquidated damages in the amount of 15% of the net remuneration payable under the contract concerned, except where the Client can prove that the loss or damage suffered by AIP as a result of such default of acceptance is lower than said amount. AIP shall also be entitled to prove that the loss or damage suffered by AIP as a result of default of acceptance by the Client is higher than the amount of said liquidated damages.

5. The Client shall not be entitled to refuse to take delivery of goods and services by reason of defects and quantity deviations which are not material. Except as provided for herein, the rights of the Client under Sections VIII and IX hereinafter shall not be affected.

6. Unless otherwise agreed between the parties, the Client shall obtain at its own expense any and all permits, approvals and export or import licences which may be required for the intended use of the goods supplied and services performed by AIP.

7. Transport packaging shall remain with the Client.

VI. Retention of title

1. AIP shall retain title to all goods supplied to the Client (hereinafter referred to as „Retained-Title Goods“) until the Client has paid all amounts payable to AIP in connection with its business relations with AIP. If the value of security held by AIP in this connection exceeds amounts payable to AIP by the Client by more than 20%, AIP shall be obligated to release securities in such excess amount.

2. The Client shall be entitled to sell Retained-Title Goods in the normal course of its business but shall not dispose of Retained-Title Goods in any other way. Without limitation of the generality of the foregoing, the Client shall not pledge or transfer Retained-Title Goods by way of security until the Client has paid all amounts payable to AIP in connection with its business relations with AIP. Retained-Title Goods shall not be used outside Germany, unless the Retained-Title Goods were intended for use outside Germany and AIP was aware that this was the case upon the conclusion of the contract.

3. Upon the conclusion of a contract with AIP, the Client hereby assigns to AIP any and all claims for payment in connection with the resale or processing of Retained-Title Goods and AIP hereby accepts such assignment. The same shall apply to any claims by the Client with respect to the loss of or damage to Retained-Title Goods.

4. AIP hereby authorizes the Client to collect in its own name debts which have been assigned to AIP and AIP hereby accepts such assignment. The same shall apply to any claims by the Client with respect to the loss of or damage to Retained-Title Goods.

5. In the event that AIP revokes the authorization of the Client to collect debts in accordance with Paragraph 4 of this Section VI, AIP shall, without prejudice to its other claims against the Client, be entitled to repossess the Retained-Title Goods without having rescinded or thereby rescinding the contract for the supply of such goods. AIP shall be entitled to sell such repossessed goods as it sees fit and to set off the proceeds of such sale against amounts owed by the Client to AIP.

6. In the event that the Client is in default with payments, AIP shall, following the expiry without such default being remedied of a reasonable grace period granted by AIP, be entitled to repossess the Retained-Title Goods without having rescinded or thereby rescinding the contract for the supply of such goods.

7. The Client shall not be entitled to pledge or assign any goods to which AIP holds title by way of security. The Client shall be obligated to notify AIP promptly of any actual or attempted execution or distress proceedings by third parties affecting Retained-Title Goods. In the event that AIP is unable to recover from the third party concerned the costs of proceedings in accordance with Section 771 ZPO (German Code of Civil Procedure) which have been awarded against said third party by the court, the Client shall reimburse said costs to AIP.

8. The Client shall be obligated to handle the Retained-Title Goods with due care and, without limitation, to obtain at its own expense adequate insurance for the Retained-Title Goods at their new value against fire, water damage and theft. Any inspection and maintenance work required on the Retained-Title Goods shall be performed by the Client in good time at its own expense.
VII. Additional conditions for installation, commissioning and repair services

1. In the event that AIP, in accordance with the order confirmation issued by AIP, is required to perform installation, commissioning or repair services under any contract, the provisions of this Section VII shall apply.

2. AIP shall not commence work until the Client has completely and properly performed any and all preliminary work and assistance obligations of which the Client has been informed in advance, including without limitation in the confirmation of order issued by AIP. This shall apply without limitation to earthworks, foundation works, construction and scaffolding works and the installation of supply and disposal systems required for the installation or repair work in accordance with the combination foundation plans submitted to the Client by AIP together with the order confirmation or within a reasonable time prior to the start of the work. Any special adaptations which may be required in addition to the preliminary work and assistance obligations to be performed by the Client shall be carried out by AIP and charged to the Client on a time and material basis.

In the event that installation or repair work is to be carried out on a computer system or may have an impact on a computer system, AIP shall not be obligated to start work until the Client has backed up any data which may be impaired by such work on separate data storage media and has issued to a competent employee of AIP written confirmation that such data have been backed up. If AIP requests the Client to submit such confirmation, the Client shall submit such confirmation within one week; if AIP does not receive such confirmation within said period of one week, said data backup shall be deemed to have been made.

3. The scope of services of AIP shall not include the transport or unloading of assembly parts, which shall be performed by the Client at its own expense unless otherwise agreed between the parties. This shall also apply to the unpacking of objects intended for assembly.

4. Access routes at the Client’s facilities leading to the building where installation, commissioning or repair work is to be performed and, inside the building, to the point of installation of the products supplied by AIP shall be prepared and completed by the Client in accordance with the information on loads and dimensions provided in advance by AIP. The Client shall provide AIP and its servants, agents and employees at its own expense with tools and lifting equipment which are fit for the purpose and compressed air, cooling water, water and electricity at the supply or transfer points designated in advance by AIP. For the duration of assembly work, the Client shall also provide AIP with dry, heated, lockable rooms to the extent required.

The Client shall ensure that the site areas concerned are clean and have at least been swept clean prior to the start of work by AIP. The Client shall also ensure that the work to be performed by AIP may be started immediately after the arrival of assembly personnel on site and carried out without interruption up to the completion of said work or, in the event that acceptance is required or has been agreed, up to the acceptance thereof.

5. Should the Client fail to perform its duties and assistance obligations under this Section VII in good time, completely or properly, AIP shall be entitled but not obligated to perform or have performed by a third party the work which is still required or has not been performed properly on behalf of the Client and at the expense of the Client. The additional expenses incurred by AIP as a result of such work (including daily rates for overnight accommodation and meals, waiting times and travelling times) shall be charged to the Client at the prices of AIP which are valid at the time of such work.

6. The Client shall be obligated, at its own expense, to brief AIP personnel delegated to perform work on site on the safety regulations in force on site and the relevant hazards on site. The Client shall take any and all action which may be necessary to protect persons and property on site.

7. Replaced parts shall become the property of AIP. The residual value of replaced parts shall not be offset against the cost of the repair work unless such offsetting has been specifically agreed in writing.

8. Unless otherwise agreed between the parties, AIP shall charge assembly, commissioning and repair services performed on the basis of the time worked and material used for such services. AIP shall be entitled to charge its daily rates for working, travelling and waiting time in force on the date of performance of services. Travelling and waiting time shall be charged as working time. In addition to said daily rates and materials, the Client shall also pay expenses actually incurred by AIP in the performance of the work such as overnight accommodation and travelling expenses.

9. The Client shall make a decision on acceptance of the assembly, commissioning or repair work under the contract upon the completion thereof. In the event that the Client does not make a decision on the acceptance of assembly, commissioning or repair work which is ready for acceptance within a period of two weeks upon request by AIP, the Client shall be deemed to have accepted said work. In the event that AIP does not set any deadline for the decision on acceptance, installation, commissioning or repair work which is ready for acceptance shall be deemed to have been accepted three weeks after the completion thereof.

VIII. Guarantees, Rights of the Client in the Event of Defects

1. AIP warrants that the supplies and services, as defined in Section 1.2, will be performed with due care in accordance with the state of the art. AIP makes no guarantees whatsoever as to the properties of the goods and services. Any declarations made by AIP concerning the properties or specific characteristics of goods and services shall be deemed to have been made solely for the purpose of defining the agreed characteristics of such supplies and services in accordance with Sections 434 and 633, Civil Code. AIP shall not be deemed to have provided any further guarantee as to the properties of goods and services (“Beschaffenheitsgarantie”) except where AIP has explicitly undertaken in writing to provide a guarantee giving the Client rights which are independent from the statutory rights of the Client in connection with such goods and services. The Client shall not be entitled to make any claims with respect to defects or damage to the goods supplied and services performed which may occur following the delivery thereof to the Client or, if acceptance is effected, following acceptance thereof by the Client as a result of (i) use other than for the intended purpose or improper use, (ii) defective installation, assembly or maintenance by the Client or a third party not authorized by AIP, (iii) the use of consumables, spare parts or replacement materials which are not fit for the purpose, or (iv) use in an environment which is not fit for the purpose (e.g. faulty construction work, chemical, electromechanical or electrical effects). Any claims with respect to defects as a result of subsequent changes to goods supplied (including any operating software) or improper repairs by the Client or third parties commissioned by the Client shall also be excluded.

2. The Client shall notify AIP forthwith in writing of any defect in goods supplied or in services performed by AIP; each such notification shall include a precise description of the defect concerned. The Client shall not be entitled to delay payment of the invoice for such supplies and services because of any such defects. If it is found, upon the investigation of any defect reported by the Client, that the Client is not entitled to make claims in respect of a defect, the cost incurred by AIP for such investigation shall be borne by the Client.
3. In the event of defects in the goods supplied or services performed by AIP to the Client, the Client shall be entitled to require AIP to undertake subsequent performance of the contract. At the option of AIP, such subsequent performance shall take the form of remedial action with respect to the defect concerned or the supply of replacement goods or services free from defects. Any parts replaced in the course of subsequent performance shall become the property of AIP and shall be handed over to AIP. In the event that subsequent performance of the contract fails or AIP fails to remedy any defect within a reasonable period of time granted by the Client, the Client shall be entitled to rescind the contract for the goods or services concerned or to claim a reasonable abatement (reduction) of the remuneration agreed. Subject to the provisos stated in Section IX hereinafter, this provision shall be without prejudice to any rights of the Client to claim damages or compensation for expenditure incurred to no avail.

4. Any claims of the Client for the subsequent performance of the contract, damages or compensation for expenditure incurred to no avail shall be forfeited unless made within twelve months of the delivery of the goods or the performance of services concerned to the Client or, in the event that acceptance has been agreed or is required, 12 months after the acceptance of the goods or services concerned. Any subsequent performance effected during said warranty period of 12 months shall have no effect on the duration of the warranty period; the warranty period shall not be extended or restarted. In the event that AIP installs spare parts in the course of subsequent performance, this shall also apply to the spare parts installed.

Any rescission of any contract by the Client by reason of the supply of goods or the performance of services not in accordance with said contract shall be ineffective if it is made more than 12 months following the delivery of the goods or the performance of the services concerned and AIP states the defence that such claims made by the Client have not been made in good time.

IX. Limitations of Liability

1. AIP shall be liable to the Client in the event of the breach by AIP of material obligations under the contract, always provided that AIP does not prove that it was not responsible for such breach. Material obligations shall be obligations the performance of which makes the proper performance of the contract possible and on the performance of which the other Party normally relies and may normally rely. For the purposes of this provision, AIP shall be deemed to be responsible for breaches caused by the wilful act or omission or negligence of AIP. Provided however that the liability of AIP shall be limited to such typical loss or damage as could reasonably have been foreseen as of the date when the contract was concluded and, as to amount, to the amount of the net remuneration under the contract concerned or €100,000, whichever amount is lower, except in the event of wilful act or omission or gross negligence of AIP. In the event of the breach by AIP of obligations other than material obligations under the Contract, including without limitation the obligation to have due regard to the rights, legal entitlements and interests of the Client, AIP shall be under no liability for any loss or damage, including without limitation consequential loss or damage, if AIP proves that it was not responsible for the breach concerned. For the purposes of this provision, AIP shall only be considered to be responsible for breaches caused by the wilful act or omission or gross negligence of AIP.

2. The limitations of liability provided for in Paragraph 1 of this Section IX shall not apply in the event of rights held by the Client under guarantees provided by AIP as to the properties of the goods and services or death, personal injury or damage to health caused by the wilful act or omission or negligence of AIP. The provisions of this Section IX shall not operate to change the burden of proof to the detriment of the Client.

X. Deterioration in the financial situation of the Client

1. In the event of indications following the conclusion of the contract that the financial situation of the Client has deteriorated or such a deterioration is impending and that such deterioration may jeopardise the performance of the contract concluded with AIP by the Client (including without limitation the suspension of payments by the Client, an application to institute insolvency proceedings against the Client, the pledging by the Client of current assets by way of security or unfavourable reports on the Client by banks or credit insurance bodies), AIP shall be entitled to refuse to supply goods to the Client or perform services for the Client or to require the Client to provide appropriate securities (such as abstract bank guarantees) or to make advance payment before supplying goods to the Client or performing services for the Client and, in the event that the Client fails to provide such securities or make advance payment within the period granted therefor by AIP, to rescind the contract and/or to claim damages from the Client. In any such case, AIP shall not be obligated to grant the Client a period for providing securities or making advance payment in the event that it is evident that the Client’s ability to perform the contract is jeopardised.

2. AIP shall also hold the rights stated in Paragraph 1 of this Section X in the event that the indications of a deterioration in the financial situation of the Client mentioned in the first sentence of Paragraph 1 of this Section X already existed prior to the conclusion of the contract and AIP was unaware of said indications, except where the failure of AIP to be aware of said indications was the result of gross negligence on the part of AIP.

XI. Confidentiality, intellectual property rights, software

1. The Client shall keep confidential any and all information and documents concerning AIP which may come to its attention in connection with the goods supplied or the services performed by AIP, until such information and documents have become public knowledge. Except to the extent that the provision of such information and documents is part of the services of AIP under the contract, the Client shall handle with due care any and all information and documents received from AIP in or in connection with the goods supplied and the services performed, irrespective of whether any such information or documents is explicitly designated as an industrial or trade secret of the AIP or is evidently an industrial or trade secret of AIP or not, shall not divulge any such information or document to any third party and shall not record, store, copy or otherwise document or use any such information or document.

2. All present and future work results for which proprietary rights may be obtained or other intellectual property rights used by AIP for the delivery of goods or performance of services under the contract shall remain the sole property of AIP. AIP shall grant to the Client a free of charge, non-exclusive, non-transferable license to use such work results or other intellectual property rights to the extent that such use is necessary in connection with the use of the services performed or goods supplied by AIP under the contract, which use is provided for or intended by the contract.
In the event that the scope of services and supplies of AIP also includes control software produced by AIP, all rights to such software, including title thereto and the rights of the author to use and dispose of said software, shall remain with AIP. In any such case, the Client shall only receive a non-exclusive, non-transferable license, without the right to grant sub-licences, to use such software in accordance with the scope and purpose of the contract together with the other services and supplies of AIP under the contract. In the event that any software supplied by AIP is a product of another producer, the Client shall, with respect to said software, only acquire such rights as are granted by said producer to users under the conditions of use of said producer, which apply in addition to these Terms and Conditions in accordance with the second paragraph of Section I.1 hereinafore.

3. AIP does not guarantee that the Client will be able to use the goods supplied and services performed by AIP outside Germany free from intellectual property rights held by third parties, except in the event that AIP was aware of the intellectual property rights held by third parties concerned upon the conclusion of the contract. The first sentence of this Section XI.3 shall also apply in the event that the services and supplies of AIP are intended for use outside Germany and AIP was aware that this was the case upon the conclusion of the contract.

XII. Final Provisions

1. Any legal relationships between AIP and the Client shall be governed by and construed and interpreted in accordance with the law of Germany with the exception of the provisions of German law concerning conflict of laws and the UN Convention on contracts for the International supply of goods.

2. The venue for any disputes arising between the Parties out of or in connection with the contract shall be Kempten/Germany, provided however that AIP shall also be entitled to bring proceedings against the Client at any of the client’s statutory venues for disputes. The Client shall not be entitled to assign to third parties rights held in connection with its business relations with AIP without the prior permission of AIP, provided however that the provisions of Section 354a HGB (German Commercial Code) shall not be affected.

3. If any of the provisions of these Terms and Conditions is or becomes ineffective or void, the other provisions of these Terms and Conditions and these Terms and Conditions as a whole shall remain in full force and effect.