

ACCEPTANCE

The acceptance test for machines and equipment in our works is based on the technical standards of ISO 6545 (1992) and/or our acceptance terms.

Performance tests are carried out at no-load, and their costs are included in the machine price.

After the acceptance test in our plant machines and equipment are deemed to be in compliance with the contract and to be accepted.

Additional expenses incurred due to compliance with special customer acceptance requirements such as extended test runs etc. will be invoiced separately.

COMMISSIONING

If on-site demonstration and instruction is requested we would be pleased to send one of our service technicians against extra charge.

Prices please see from our Service Price List.

LIMITED WARRANTY

Seller warrants that all new and unused goods furnished pursuant to this contract will be free from defective material and workmanship for a period of one year measured from the date all new and unused goods are shipped from the Seller's Factory. Additional warranty periods can be provided as an option to the contract.

All warranties are contingent upon (a) normal and proper usage in applications for which the goods were intended, (b) installation, use and maintenance of the goods according to Seller's instructions, and (c) the goods still being in the possession of the original Buyer with no changes having been made in the design or function of the goods without prior authorization by Seller.

Seller makes no other warranties, express or implied, including merchantability or fitness for a particular purpose.

Specifically, but not in limitation of the above, Seller makes no warranty with respect to machinery, equipment or other goods or components if persons other than Seller have performed any repair or rebuild work or have made any alterations thereto. Performance and production specifications with respect to all machinery or equipment are estimates only and are not warranted by the Seller.

DELIVERY

at present **approx. XX months**(ex works) after receipt of order and clarification of all technical and commercial details.

CONDITIONS OF DELIVERY

We reserve the right of technical improvements, and structural changes of our products are subject to further developments from date of quotation till date of contract.

The quotation is without obligation for us.

Our quotation is based on the General Conditions for the Supply and Erection of Plant and Machinery of the United Nations Economic Commission for Europe (Form **ECE No. 188 A**) and according to the INCOTERMS 2010.

For partial delivery of accessories the corresponding prices are valid for delivery ex our works in Germany, excluding packing and transport insurance.

Test parts or parts for machine acceptance must be sent to Gleason manufacturing site in Germany free of charge on INCOTERMS 2010 DDP basis.

PRICES AND VALIDITY

This quotation is non-binding and valid up to **XX.XX.XXXX**.

The prices quoted above are based on our present production costs and ex works.

They can be accepted only as firm on the condition that a definite order with complete technical specification is placed in due time so as to enable us to ship the complete order latest by **XX.XX.XXXX**. When delivering after this date we must reserve the right to invoice our list prices, valid at the date of shipment.

PRICING TERMS

Ex works, packing and transport insurance are not included. Packing is invoiced at cost and cannot be returned.

PAYMENT TERMS

In accordance with our general conditions for the supply as follows:

30 % with order

70 % by irrevocable letter of credit which has been confirmed by a German bank to be opened in our favor and advised through:

Commerzbank AG, Stuttgart

Account No. 0909 750 800 (BLZ 600 800 00)

IBAN: DE74 6008 0000 0909 7508 00

BIC/SWIFT: DRES DE FF 600

Method of L/C advice: by SWIFT

Availability of L/C at the counters of advising bank in Germany against presentation of shipping documents. L/C should allow for partial delivery.

All L/C commissions and charges are for Buyer's account.

All payments strictly net.

The goods remain our property until full payment has been effected.

DELAYED INSTALLATION AT CUSTOMER SITE

In case the installation of the equipment at customer's site is delayed by circumstances, which are not the responsibility of Gleason, the next payment step has to occur within 30 days after the arrival of the equipment at the customer plant.

WORKPIECE-DEPENDING ACCESSORIES

For any change of the workpiece design carried out by the customer, which takes place up to four weeks after order placement, that causes an additional review of the workpiece drawings, the customer has to pay an additional amount of EUR 500,-- (excluding VAT) for each changed workpiece position.

For subsequent changes of the workpiece design carried out by the customer, which causes changes at the workpiece depending accessories, the customer has to pay the full amount of the additional costs incurred depending on the actual design costs and production status.

IMPORT AND/OR EXPORT LICENSES

Prices do not include the cost of import and/or export licenses which may be required.

CANCELLATION

The unilateral cancellation of this contract by the Buyer is excluded. This does not apply to rights of the Buyer concerning termination of the contract set out elsewhere in this contract as well as the right of the Buyer to terminate for cause.

A cancellation of this contract is only possible with written consent of Gleason.

If this contract is cancelled in mutual agreement Gleason is nonetheless entitled to the contract volume, less saved expenditure, at a minimum of 25 % of the contract value unless the Buyer proves that the saved expenditure exceeds 75 % of the contract value.

LIMITATION OF LIABILITY

Notwithstanding any other provision of this quotation any order issued hereunder or any other applicable terms and conditions, Seller shall not be liable for any special or consequential damages of any kind, lost profits or loss of production in connection with the subject matter of this quotation or any order issued hereunder, however, this section shall not limit Seller's liability for personal injury (including death) or property damage or Seller's contractual obligations for intellectual property infringement or breach of any confidentiality obligation.

CURRENCY CLAUSE

Quotations and order confirmations issued in other currencies than EURO are based on the exchange rates valid at the time of issuing the quotation respectively purchase order. If not agreed otherwise in the purchase contract currency fluctuations of more than 3 % are leading to a proportional adjustment of the offered prices.

Please note that in view of the continuous development of our machines the data contained in this quotation should not be considered as absolutely binding.

We would be very pleased to receive your order and may assure you of its very careful execution.