



General Terms and Conditions of Sale

The following Terms and Conditions of Sale are in addition to and form an integral part of all quotations submitted to a customer (the 'Buyer') by Baumann Packaging Systems Pty. Ltd. All sales contracts signed by us shall be governed by the clauses herein.

1) ORDER ACCEPTANCE

Your purchase order needs to be verified by an authorized representative of Baumann Packaging Systems Pty.Ltd. before it becomes a sales contract. Normally a sales order acceptance is issued by us upon verification. The sales contract will be governed by conditions as specified in the SOA thus issued.

2) VALIDITY

All quotations / proposals submitted by us are valid for a period of one month, unless otherwise specified. Prices cannot be held firm beyond the validity period; ask for a revised quotation should this be required.

3) PRICE BASIS

The purchase price shall be payable in the currency specified in our proposal. The price is EX – works from Baumann Packaging Systems Pty.Ltd. in Australia or from our suppliers or contractors factory where ever located, and in unpacked condition, unless otherwise specified. Cost of packing and handling up to the nearest port (FOB) and cost of freight (C & F) up to the port of destination are quoted on request. Clearance of the goods from the port and customs and transportation of the equipment from the port to the factory is always the responsibility of the Buyer, unless and otherwise agreed in writing.

4) TAXSES

Liability for all taxes, excises, import duties or other charges imposed by any local, state or federal authority, which have to do with or affect the goods herein ordered, shall be assumed and paid by the buyer.

5) DELIVERIES

Delivery dates are approximate and dates given at the time of signing the contract are only estimates. The promise of delivery is made based on prompt receipt of all necessary information from the Buyer including Purchase Order, advance payment, samples as required and confirmation of all technical details. Baumann Packaging Systems Pty.Ltd. shall make every effort to accomplish delivery on schedule; however, we will assume no liability for damages arising out of failure to deliver material within the time promised. If additional information, drawing approval or product samples for design / testing are required, promise of shipment will date from receipt of same. The promise of delivery is also subject to receiving the deposit payment and Confirmed Letter of Credit without discrepancies in the stipulated time as agreed in the SOA.



6) PAYMENT

The purchase price shall be payable in the currency specified in our proposal. The payment terms are as specified in our proposal / quotation, and cannot be altered unless changed in writing by an authorised employee of Baumann Packaging Systems Pty.Ltd. We reserve the right to suspend production and delivery schedules in respect of any order if any account is not paid when due. Buyer accepts charges of 10 % per month on overdue amounts. The contract will be governed by the following payment terms if not specified in the proposal:

50 % with the order, by cheque or bank transfer. 40 % by irrevocable letter of credit (LC) opened in Baumann's favour at the time the order is placed and confirmed by a first class International Bank. Guidelines for opening the L/C are available separately.

7) CANCELLATION

Under exceptional circumstances, the sales contract can be terminated or cancelled only upon written request from the buyer and is subject to a written consent from Baumann Packaging Systems Pty.Ltd. Normally, our consent to such cancellation will be contingent upon your agreeing to pay us a cancellation charge and the expenses towards the material and labour cost already incurred by us / our supplier in preparation of the equipment on order.

8) CHANGES

Baumann Packaging Systems Pty.Ltd. reserves the right to make changes in design and incorporate improvements as required to ensure proper operation of equipment without notice. Changes requested by Buyer once the work is in progress are subject to additional charges for reasonable costs and expenses incurred as a result of such changes and for work and materials required to effect the changes.

9) STORAGES

Baumann Packaging Systems Pty.Ltd. is entitled to receive full payment for all finished material ready for shipment when held at Buyer's request, or on account of lack of instructions / non receipt of Letter of Credit, or for other reasons beyond our control. In this case, Baumann Packaging Systems Pty.Ltd. will provide for the storage and warehousing of the goods at the expense and risk of the Buyer.

10) PRODUCTION SPEEDS

The estimates on production speeds are subject to testing of Buyer's bulk samples. In those cases where bulk samples are not supplied equipment will be tested for normal functioning only.

11) PRE – TESTING OF EQUIPMENT BEFORE SHIPMENT

All equipment supplied by us is pre – tested by us or our suppliers before shipment using all the product sizes specified in the contract. All products / containers / consumables / required for pre – testing shall be supplied by the Buyer free of cost. We cannot guarantee performance, whether expressed or implied, of products not submitted for testing before shipment of equipment.

12) INSPECTION

Final inspection and acceptance of equipment can be made at our plant or at the plant of our supplier and shall be conclusive except as regards latent defects. All expenses for the inspection shall be borne by the Buyer.



13) INSURANCE OF SHIPMENT

The Buyer shall take over all and any risk of loss or damage or any other risk in relation to the goods from the time they have effectively left our works / our supplier or contractor. They have effectively left our works / our supplier or contractor's works. Insurance has to be arranged by the buyer, unless otherwise agreed in writing.

14) CASE OF (FORCE MAJEURE)

Non – fulfillment of the contract conditions for reasons of force majeure will lead to postponement of the deadlines established in the contract. The project shall be re – scheduled, once normal conditions are re – established. There can be no refunds and Baumann Packaging Systems Pty.Ltd. shall assume no liability for any damages incurred by the Buyer due non – fulfilment of contract by Baumann Packaging Systems Pty.Ltd. under force majeure conditions.

15) .RESERVE OF OWNERSHIP

- All sales are concluded with reserve of ownership. The goods shall continue to be the property of Baumann Packaging Systems Pty.Ltd. unless paid for in full. Consequently, the transfer of ownership of the equipment to the Buyer is suspended subject to clearance of the full payment. When payment is made by cheque, Letter of Credit (LC) or other negotiable instruments. The payment shall be considered as complete only after it has been confirmed as cleared.
- All risks relating to the equipment sold under reserve of ownership are the responsibility of the buyer as soon as the goods have been handed over to the freight forwarder for delivery to the Buyer. The Buyer shall carry out the conservation, maintenance and use of the goods at his own expense and his own risk. The Buyer shall insure all the goods, whether ownership has been transferred from the vendor or not, as soon as the delivery is completed. All risks associated with the equipment (whether proper or improper) during installation and operation of equipment shall be borne by the buyer.

16) WARRANTY

The seller agrees, represents, and warrants that the equipment delivered hereunder shall be free from defects in material and workmanship. This guarantee against defects of material or workmanship is valid for a period of one year from date of shipment and/or for a maximum 2000 hours operating time, whichever is earlier. The claims under warranty returned freight prepaid and must be verified by us to be truly a warranty item. The warranty is void if the reason of part failure is due to normal wear, inadequate maintenance or any un-authorized modification / repairs / misuse done by the Buyer. Machines and equipment manufactured by our suppliers are guaranteed according to their standard warranty. The warranty does not cover the expenses of travel, board and lodging of our / our supplier's engineer, should such a need arise. The warranty does not cover any freight costs incurred in receiving parts from or sending parts to our supplier. It is understood that the liability of Baumann Packaging Systems Pty.Ltd. shall be limited to such repair or replacement and that Baumann shall not be liable for any direct, indirect, incidental or consequential damages arising out of any defect or from any cause whatsoever.



17) LIMITATION OF LIABILITY AND REMEDIES

The Seller's liability for any claims arising out of the contract formed between the Seller and Buyer, including any warranty claims and claims based on alleged negligence of Baumann Packaging Systems Pty.Ltd. or its employees, shall be limited to the replacement of products or parts thereof sold to Buyer, and shall not include any special, consequential, incidental or penal damages including loss of profit or revenues, loss of use of the goods, accidental damage to operators, damage to associated equipment or systems, cost of capital, cost of substitute products, facilities, services or replacements, downtime costs or claims of Buyer's customers for any such damages. Any dispute which cannot be settled amicably shall be submitted to the Courts of Australia, whose laws shall govern all agreements. The English – Language text of these Terms and Conditions of Sales is the sole authentic version.

18) SERVICES

The costs for supervision of installation, commissioning and tests as well as training of production and maintenance staff are charged separately. Unless otherwise specified, We can also provide our rates for after – sales support and annual maintenance contracts.

19) CLEARANCE AND RE – POSITIONING

Buyer shall assume the responsibility of clearing the equipment from the port, transportation to her factory, and pre-positioning of the equipment at the site of installation.

20) INSTALLATION

It is the responsibility of the Buyer to provide the following services wherever required if Baumann Packaging Systems Pty.Ltd. is undertaking the installation for the Buyer: a) Pre-positioning of equipment at the installation site b) Utilities like compressed air, power, chilled water, etc, needed by the equipment, delivered to the location where the equipment is to be installed c) Preparation of the site in conformity with the requirements of the equipment d) Exhaust, Heat Insulation, etc, if needed by the equipment e) Carrying out of any building work, modifications or renovations f) Disposal of the packaging g) Anchoring of the machines h) Supply of electric power and connection for telephone line to our container/office at site i) Supply of the necessary equipment and tools like cranes, forklifts, etc, needed for installation.



21) ACCEPTANCE AND COMMISSIONING

The acceptance of the machine or equipment in question will take place in two stages.

Cold Commissioning Acceptance (Blank Acceptance): When installation has been completed Buyer will sign a document certifying that the machine is accepted with regard to its quality and finish.

Hot Commissioning Acceptance (Acceptance in Production): For Hot Commissioning Acceptance, the machine must perform at the specified speed / efficiency, complying with the contract specifications for quality level. The test will be conducted over an eight-hour shift on a 'Sole Product' using one type of package. A 'Sole Product' in this context means one type of container, one type of filled product, one type of package, one palletisation plan, etc. At the successful conclusion of the test, the Buyer will sign a document certifying that the machine a) is fit to produce a sellable product, and b) has been accepted into production.

For multi-format lines, the fine-tuning of the different formats must be carried out within a set time. Should there be a postponement of commissioning procedure because of Buyer requirements, either due to the preparation of production processes, recipes, etc, or for any other reason beyond our control, we reserve the right to invoice Buyer for the extra time spent by our engineers. After completing the installation, Buyer will have thirty days to allow us to conduct the commissioning test on any day as agreed. If for some reason the commissioning is not carried out within this deadline, the equipment will be considered tested and consequently the terms for the associated instalment of payments will enter into effect.

22) FEEDBACK

We welcome your feedback on all matters. Please contact us by e-mail at complaints@baumann-industries.com (Complaints) or feedback@baumann-industries.com