

**ECON Machinery Pvt. Ltd.**  
**A 181, POR Industrial Park,**  
**Adjoining POR G.I.D.C, N.H. 8A,**  
**POR, Vadodara - 391243, Gujarat,**  
**INDIA**

## **General Terms and Conditions of Sale and Delivery**

### **1. GENERAL**

ECON Machinery Pvt. Ltd. is hereinafter referred to as the "Company". It agrees to sell equipment, materials, products or work described in the Company's quotation (hereinafter referred to as the "Goods") on the following terms and conditions. Any order of the Buyer which contains terms and conditions in addition to or inconsistent with the following shall not be binding upon the Company unless acceptance thereof is made in writing by an authorized representative of the Company. Failure of the Company to object to provisions contained in any order or other communication from the Buyer shall not be construed as a waiver of those conditions nor an acceptance of any such provisions by the Company. Prices stated in the Company's quotation are based on those in effect on the date hereof, and are subject to change in accordance with pricing policy indicated in such quotation, on the face of order or by attachments. No order issued by the Buyer shall be binding upon the Company until accepted in writing by an authorized representative of the Company. The effective date of the order of the Buyer will be the date when the same is accepted by the Company and will represent the starting point of all contractual obligations and the initial milestone for the delivery. In the following terms and conditions, "Purchase Order" means any order for the Goods issued by the Buyer and accepted by the Company. The right is reserved to correct clerical and typographical errors at any time.

### **2. SCOPE OF WORK**

Unless otherwise stated in the Purchase Order, the Company shall engineer, design, manufacture, and supply the Goods as per the quantities and technical scope/specifications mentioned in the technical part of company's quotation and on Purchase Order.

### **3. PRICE**

Price for design engineering, manufacture and supply of materials for the Goods shall be according to the Company's scope as described in the technical part of the Company's quotation and the price will be as per the Company's quotation.

### **4. WARRANTY**

Goods delivered by the Company are warranted to be free from defects in workmanship and material for a warranty period of one (1) year from the date of shipment, and any Goods which are defective in workmanship or material will be repaired or replaced by the Company upon return by the Buyer to the Company, at no charge to the Buyer for the cost of such repair or replacement. The obligation of the Company hereunder shall be limited solely to such

repair or replacement, and shall not include field erection costs involved in the exchange, and shall be conditioned upon receipt by the Company of written notice of any alleged defects promptly after discovery thereof within the above-mentioned warranty period. This warranty does not apply to normal wear and tear, damage or wear due to Buyer's carelessness, lack of maintenance, and/or misuse, goods which has been stored or operated under abnormal conditions or against the Company's specifications, and/or Goods which has been modified without the Company's prior written authorization.

THE FOREGOING IS THE EXCLUSIVE WARRANTY OF THE GOODS AND IS IN LIEU OF ANY AND ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE USE, OR APPLICATION.

This warranty may be modified only in writing by an officer of the Company. No other representative or any other person is authorized to represent or assume for the Company any warranty except as set forth herein before. Further, as to auxiliary equipment, accessories or parts manufactured by others, the Company warrants such parts only to the extent of the warranty given by the manufacturer thereof, and said manufacturer shall determine the extent of any allowance for, or repair or replacement of, any such parts claimed to be defective.

### **5. INTELLECTUAL PROPERTY AND DOCUMENTATION RIGHTS**

The Company is and shall remain the owner of all the intellectual property rights and all the know-how associated with the Goods as well as of any and all technical documents including but not limited to drawings, proposals, manuals, software provided to the Buyer under the Purchase Order (hereinafter referred to as "the Company's Intellectual Property"). The Buyer undertakes not to copy, or reproduce them and not to disclose the Company's Intellectual Property to any third party without the prior written authorization of the Company. The Buyer has the right to use the Company's Intellectual Property for the sole purposes of installation, operation, and maintenance of the Goods. The Company grants to the Buyer a nonexclusive, nontransferable and non-royalty bearing right and license to use any of the Company's Intellectual Property solely in connection with the Purchase Order. The Buyer has no right or license to: (i) sublicense the Company's Intellectual Property; (ii) disclose to any third party in either form; (iii) print, copy, reproduce, distribute, modify or in any other manner duplicate the Company's Intellectual Property, in whole or in part; or (iv) de-compile, disassemble or otherwise reverse engineer the Goods or any part thereof.

### **6. SAFETY SYSTEMS AND CODE COMPLIANCE**

The Company does not evaluate, test, or maintain safety systems or devices unless the Company is specifically contracted to do so. Users of related equipment have ongoing obligations under applicable codes and standards. The Company does not undertake to ensure that the Buyer is fulfilling the obligations of such applicable codes and standards.

**7. PAYMENT TERMS :**

Payment terms are those specified on the Company's quotation(s). No deviations from those payment terms will be accepted unless by written agreement of the Company. Failure to make payments, to establish Letters of Credit ("LC's") or Standby Letters of Credit ("SBLC's") at the specified or agreed to times shall afford the Company the right to suspend the Purchase Order until all overdue payments, LC's or SBLC's are received and also nullifies any delivery promises agreed upon and/or as written in the Purchase Order. For failure to make payments at the specified or agreed to times, the Company will provide the Buyer seven (7) days written notice of failure to pay. At ten (10) days past payment due date, the Company shall have the right to suspend work until all overdue payments are received including to charge for any additional costs incurred and also nullifies any delivery promises agreed upon and/or as written in this proposal. If the Buyer has past due invoices outstanding through no fault of the Company concurrent with a scheduled shipment, the shipment will be delayed until the Buyer is current without penalty to the Company. Should the delay in payment exceed 60 days, the Company may consider the Purchase Order terminated for the Buyer's convenience by sending a written notice to the Buyer and the Company shall be entitled to receive compensation from the Buyer for all works carried out before such termination including all costs and expenses in relation with the Purchase Order incurred as a result of such termination. The Company reserves the right to invoice for partial shipments when such shipments are in concert with the agreed upon shipment schedules, are at the Buyer's request, or substantially complete the Purchase Order. Should milestone dates change subject to mutual agreement by the Buyer and the Company, payment dates must be adjusted in concert with those changes consistent with the structure and timing agreed to in the Purchase Order. In the event any bank fees arise in connection with fulfillment of Buyer's order, the Company and the Buyer are responsible for their respective bank fees.

**8. TAXES :**

Prices do not include taxes and unless the Buyer provides the Company with a tax exemption certificate, the Buyer shall be responsible and shall pay when due all required taxes or other governmental fees or levies imposed on or in connection with the transactions described, except for taxes imposed on and measured by the Company's net income.

**9. TITEL:**

Title to the Goods shall be retained by the Company until such Goods are paid for in full by the Buyer.

**10. DELIVERY TERMS :**

Except as otherwise agreed by the Company, the Company's delivery terms shall be Ex-Works at the Company's facility ("Shipping Point") as per Incoterms® 2020.

**11. DELAYED SHIPMENT :**

In the event the Buyer delays shipment more than 30 days from the initial scheduled delivery date(s) through no fault of the Company and the Goods are ready to ship, the payment will be due upon readiness to ship, net 30 days against commercial invoice. After 45 days delayed shipment through no fault of the Company and payment in full, the Buyer shall be responsible for transporting the goods to a location of its choice and any additional costs shall be borne by the Buyer. Buyer to release 100% payment with taxes upon readiness of the goods and lift the goods immediately. The company can store goods only for a maximum period of 45 days from the agreed contractual delivery date and beyond which Storage charges will be applicable.

**12. CHANGE IN LAW :**

If, after the effectiveness of the Purchase Order, any law or regulations is enacted, promulgated, abrogated or changed which affects the costs and expenses of the Company and/or the time for completion, the Purchase Order price shall be correspondingly increased and/or the time for completion shall be reasonably adjusted to take into account such impact.

**13. FORCE MAJEURE :**

The Company will be excused from delays in the performance of the Purchase Order which arise from Force Majeure. "Force majeure" means any circumstances beyond the control of the Company, causing a delay or failure in performance, and includes war, civil insurrection, acts of terrorism, riot, acts of government, whether promulgated in the form of law or otherwise, labor disputes, epidemics, serious floods, fires, explosions, earthquakes, tidal waves, typhoons, storms and/or accidents which affect vital equipment or facilities used in the performance of the Purchase Order. In a case of Force Majeure, the period for performance by the Company shall be automatically extended for the duration of the Force Majeure. If the Force Majeure condition lasts more than six months, and the Buyer and the Company are unable to reach agreement on the conditions for going forward with the Purchase Order, the Purchase Order shall be terminated at the request of the Company and the Company shall be entitled to receive compensation from the Buyer for all works carried out before such termination including all costs and expenses in relation with the Purchase Order incurred prior to such termination.

**14. INFRINGEMENT**

Unless the design, drawings or specifications for the Goods is being furnished by the Buyer, the Company agrees to defend and indemnify the Buyer from and against any suit or proceeding for the actual or alleged infringement of any existing patent, copyright, trademark, trade name, service mark, or other intellectual property rights related to the manufacture, sale, or use of the Goods. However, the Company shall have no obligation with regard to any claim of infringement arising from: (i) the Buyer's use of the Goods for other than its specified application(s), (ii) the Buyer's modification of the Goods, or (iii) the Buyer's combination of the Goods

with other equipment or products not supplied by the Company. The Company must be notified promptly in writing of the claim and given full authority, information and assistance for the defense and/or settlement of the claim. If the Goods are finally adjudged to so infringe, or in the Company's opinion is likely to become the subject of such a claim, the Company may, at its option and at no charge to the Buyer, either: (1) procure for the Buyer the right to continue using the Goods; (2) replace the Goods with non-infringing goods; or (3) modify the Goods so it becomes non-infringing. The Company's fulfillment of its obligations under this clause shall be the Buyer's sole and exclusive remedy for any claim of actual or alleged infringement.

**15. LIABILITY :**

Except with respect to claims for indemnification pursuant to Section 15 above, the Company's aggregate liability to the Buyer for all claims of any kind, whether based upon contract, tort (regardless of the degree of fault or negligence) or otherwise, for any loss or damage arising out of, connected with, or resulting from the performance or breach of the Purchase Order shall in no event exceed one hundred percent (100%) of the total Purchase Order price. NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE COMPANY AND/OR ITS INSURERS SHALL NOT BE LIABLE TO THE BUYER AND/OR ITS INSURERS FOR ANY LOSS OF REVENUE, LOSS OF PROFIT, LOSS OF ANTICIPATED PROFIT, LOSS OF USE, LOSS OF PRODUCTION, LOSS OF PRODUCT, LOSS OF PRODUCTIVITY, LOSS OF CONTRACT, LOSS OF BUSINESS OPPORTUNITY OR ANY SPECIAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE WHETHER SUCH LIABILITY IS BASED OR CLAIMED TO BE BASED UPON ANY NEGLIGENCE OR OTHER ACT OR OMISSION BREACH OF CONTRACT, BREACH OF DUTY (STATUTORY OR OTHERWISE) OR DEFAULT WHATSOEVER AND WHETHER SOLE, CONCURRENT OR CONTRIBUTORY.

Should the Goods supplied by the Company under the Purchase Order be furnished by the Buyer to final customer and/or end-user by contract or relate to a contract between the Buyer and/or its final customer and/or end-user, the Buyer shall obtain or have obtained from such final customer and/or end-user provisions affording Seller the protection of the foregoing provisions towards such final customer and/or end-user as well as their respective insurers.

**16. CONSEQUENTIAL DAMAGE**

The Company and their insurance company shall not be liable for any indirect or consequential loss or damage including but not limited to any loss of profit, loss of use, loss of contracts, loss of production or business interruption.

**17. JURISDICTION**

Any dispute arising out of or in connection with the Purchase Order shall be subject to the exclusive jurisdiction of Courts of Vadodara, Gujarat, India.

**18. GOVERNING LAWS**

The Purchase Order shall be governed by and interpreted according to the Laws of India.