

GUARANTEE OF GOODS

Unless otherwise explicitly stated in the PURCHASE ORDER, the following conditions will apply:

[1] **SUBSTANCE OF GUARANTEE**

BIDDER will make good, at BIDDER's own expense with all possible speed, all defects which may arise from

- [a] Defective design, materials, workmanship or from any act or omission by BIDDER and/or
- [b] BIDDER's damage or loss resulting from instructions as to use which are proven erroneous for the GOODS and/or
- [c] Breach of BIDDER's warranties, expressed or implied

that under the terms and conditions provided for in the PURCHASE ORDER and under proper use, may appear in the GOODS within a period of eighteen (18) months after delivery of the GOODS or twelve (12) months after the GOODS have been put into commercial operation, whichever is earlier.

In no case will this guarantee cover defects due to normal wear and tear of the GOODS or due to proven disregard of BIDDER's operating instructions.

[2] **EXTENSION OF GUARANTEE**

The guarantee period of the GOODS will be extended by any period(s) equal to the period(s) during which the GOODS have been out of operation as a result of a defect covered by this guarantee. Fresh guarantee period(s) equal to those specified in Paragraph 1 will apply to replacement GOODS (or parts) or repaired parts.

[3] **NOTICE OF DEFECT(S)**

BUYER will notify BIDDER in writing of any defect(s) that arise and will afford BIDDER reasonable opportunity to inspect and remedy such defect(s). If it is appropriate to effect repair at the worksite, BIDDER may elect to do so or authorise BUYER to do so on BIDDER's behalf.

In case(s) of emergency or where serious financial loss or operational inconvenience would accrue to BUYER, then BUYER may effect repair(s) without authorisation by BIDDER without voidance of this guarantee, provided that such repair does not alter the original specifications of or cause damage to the GOODS.

[4] **COST OF REPAIR(S)**

All costs of repair and any freight charges ensuing from return of the GOODS to BIDDER which accrue under the terms of Paragraph 1 of this guarantee will be for BIDDER's account. The mode of transport is to be agreed by both parties.

The conditions covering the attendance of BIDDER's representative(s), if required, will be such as may be separately agreed by BUYER and BIDDER.

[5] **REPLACEMENT OF GOODS (OR PART THEREOF)**

BIDDER shall deliver replacement or repaired GOODS (or part thereof) on the terms and conditions as shown in the original PURCHASE ORDER.