

General Guarantee Terms and Conditions for Conveyor Belts

I. General conditions

- Conbelts S.A. (hereinafter referred to as "Producer") guarantees that the conveyor belts it delivers in segments (hereinafter referred to as "product" or "products") are free of material defects, comply with technical and technological-production standards in force and have the features agreed with the Buyer/User.
- 2. The Producer ensures proper functioning of the product as well as its safe and reliable work provided that the product is used in accordance with its intended purpose and these terms and conditions of guarantee as well as storage, transport and use, in line with the document "Principles of using conveyor belts produced by Conbelts S.A." attachment number 1.
- 3. The guarantee covers every delivered segment of the product separately.
- 4. The producer gives a basic guarantee, the terms and conditions of which are specified in particular in this document or in a special guarantee, the terms and conditions of which are each time individually agreed with the Buyer/User or will be apparent from other documents

II. Guarantee period

- 1. The guarantee period for a particular segment of the product is specified in the guarantee card (in the Conbelts Certificate) issued and provided by the Producer on the day of sale.
- In case of any repair of the product specified in paragraph V.2a) the guarantee period shall only be extended by the time during which the Buyer/User could not use the product due to its defect.

III. Obligations of Buyer/User

- The Buyer/User shall use the purchased product solely with belt conveyors which are operated in a manner prescribed in their
 operation and maintenance documentation and in line with the current state of the art in this field.
- 2. The Buyer/User is responsible for proper selection of the product so that it is adjusted to the co-operating equipment, in particular belt conveyor. Selection must be done by a person/organisation equipped with necessary qualifications to do so. Any risk due to improper adjustment of the product to co-operating devices lies with the Buyer/User. The Producer declares a possibility to co-operate in analysing the conditions of the current or future use of the product on the basis of a completed questionnaire available on the website and in the sales department.
- 3. The Buyer/User shall be responsible for unauthorised changes in the conditions of product use, including changes to the technical configuration and parameters of conveyor's work which may have a direct or indirect influence on the product life. Failure to inform the Producer that the product the properties of which are subject to agreement will be used on a belt conveyor having a non-standard configuration or equipment shall also be considered an unauthorised change.

IV. Scope of guarantee

- 1. The producer shall be responsible towards the Buyer/User solely in the event a hidden physical or material defect or nonconformity of the product with parameters specified in the "Certificate" provided to the Buyer/User on the date of sale has been found and such defects or nonconformities are disclosed in the guarantee period specified in the guarantee card.
- 2. Guarantee does not cover defects or damage resulting from causes other than ones inherent in the product sold, in particular:
 - a) application of the product against its intended purpose or its improper use,
 - b) damage resulting from improper selection of the product to match the existing operating conditions,
 - c) damage resulting from improper relocation or storage of the product,
 - d) damage resulting from improper installation of the product or making a belt connection in an improper way,
 - e) damage resulting from improperly selected or improperly working co-operating equipment or other devices which might influence the product itself,
 - f) damage resulting from acts of God or force majeure factors.
- 3. Guarantee does not cover natural wear of the product, resulting from its normal use.
- Guarantee does not cover a product which, on the basis of submitted documents and other rated characteristics, cannot be explicitly identified as the one originating from the Producer.

V. Buyer/User's rights

- The Buyer/User has a right to lodge a complaint in the event he finds a physical material defect in the product or reveals its nonconformity with parameters specified in the "Certificate".
- If a complaint is recognized as validated, the Producer shall present the Buyer/User with the below listed methods of compensation, taking into account particular circumstances of a given case, i.e.:
 - a) free-of-charge removal of the product's physical defect (product repair),
 - b) in the event it is not possible to remove or repair the defect, it is necessary to apply another solution which shall be agreed upon and accepted by both sides, i.e. the Producer and the Buyer/User, with the provision that its value cannot be more than the value of the product being the subject of complaint, decreased by a loss of value resulting from the period of use (from the moment of sale), established according to the following formula:

$$W_{re} = W_o * (1-T_{eksp.}/T_{gwar})$$

where: W_{re} – value of compensation (in PLN net), T_{eksp} – period of product use (in months),

 W_0 – product purchase value (in PLN net), T_{gwar} – period of guarantee (in months)



In case of replacement of a belt section within Poland, the new belt will be delivered at the deadline agreed with the Buyer, but not longer than the one resulting from the purchase order or Agreement.

VI. Complaint submission procedure

- The only subject authorised to lodge a complaint is the Buyer/User, by sending a completed Complaint Form.
- To be accepted for consideration, a complaint must fulfil the following conditions:
 - a) The deadline for lodging a complaint by the Buyer/User is 7 days from the date of discovering a defect or nonconformity, if these defects or nonconformities are revealed in the guarantee period specified in the guarantee card,
 - a complaint must be lodged with the Producer in writing, in a complaint form sent by fax or email (the form is available on the Producer's website, contact details have been given below),
 - c) the complaint form must contain at least the following information:
 - I type of product and number of product segment,
 - II date of purchase and place of product installation,
 - III date of discovering a defect or nonconformity,
 - IV precise description of the defect found or existing documentation (including photographic one) enabling identification of the product's origin,
 - V contact details of the person authorised by the Buyer/User to take action related to the subject of complaint,
 - VI Operation and maintenance manual for Belt and Conveyor,
 - VII Conbelts Certificate / Guarantee card,
 - VIII Buyer/User's expectations regarding the complaint lodged.
 - d) the Producer shall bear no responsibility for the effects caused by extending the complaint processing time due to Buyer/User's failure to provide necessary information or providing incomplete or false information.
- Effective delivery of a complete complaint form to the Producer is a basis for starting the complaint handling procedure. Effective delivery is confirmed with a response "application accepted for consid<mark>eration, along with</mark> the assigned case number
- The Producer shall commence handling the complaint without unnecessary delay.
- While considering a complaint, the Producer analyses the complaint form sent, makes necessary arrangements related to the subject of complaint (includi<mark>ng arrangements with</mark> an appointed representative of the Buyer/Us<mark>er) and – if necess</mark>ary – contacts the appointed representative of the Buyer/User in order to establish the term of site inspection.
- 6. Activities specified in paragraph 5 above should be performed within 3 working days (i.e. from Monday to Friday, excluding holidays) from the date of starting the complaint processing procedure unless otherwise agreed with the Buyer/User.
- The Producer's decision whether the complaint has been recognized or not should be issued no later than within 30 days from the date of receiving a complaint form, unless the Producer must undertake necessary activities to consider the complaint, in particular have laboratory tests done and obtain specialist opinions. In such a case this term shall be extended by the time necessary to perform the above activities.
- Producer's representatives have a right to:
 - a) have access to operation and maintenance documentation regarding the conveyor on which the claimed product is installed,
 - b) conduct an inspection of the site where the claimed product is installed and the conditions of the product's use
 - have access to information on the type and quantity of material transported on the conveyor on which the claimed product has been installed.
 - d) take samples of the claimed product and prepare additional photographic documentation.
- Preventing the activities specified in paragraph VI.8 from being performed provides a basis for invalidating the complaint.
- 10. In the event the information contained in the complaint form is found to be untrue the Producer reserves a right to charge the costs incurred due to activities undertaken during the complaint handling procedure to the Buyer/User.
- 11. If the complaint is recognized as justified, the Buyer/User shall have the rights specified in paragraph V.
- Lodging a complaint does not exempt the Buyer/User from his obligations resulting from the agreement between the Producer and Buyer, in particular, the obligation to pay invoices issued for products purchased.

VII. Final provisions

- Buyer/User's rights resulting from these guarantee terms and conditions are waived in the event the Buyer/User has not paid the amounts due for the Producer's products within the prescribed term.
- 2. Any disputes related to these guarantee terms and conditions shall be settled by a court having jurisdiction over the Producer's seat.
- This document has been approved by the Management Board of Conbelts S.A. by virtue of resolution number 02/06/16 passed 3. on 24.06.2016 and implemented on the basis of ordinance issued by the President of Conbelts S.A. No. 11/16 dated 24.06.2016.
- 4. This document applies to products purchased after 01.07.2016.

Attachment:

Attachment No. 1 - Principles of using belts produced by Conbelts S.A.

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