

General Terms of Purchase and Sale

Definitions and Abbreviations

GTPS shall mean these General Terms of Purchase and Sale;

CC RL shall mean the Civil Code of the Republic of Lithuania;

The Seller shall mean Lenze UAB, legal entity code 110863892, address: Chemijos g. 19A, LT-51332 Kaunas.

The Buyer shall mean any natural or legal person that purchases or expresses a wish to purchase the Goods and/or services offered by the Seller. If the Buyer is a natural person purchasing the Goods and/or services for the needs of his/her family or household, he/she additionally is subject to the mandatory provisions of the CC RL regulating the consumer relations.

The Goods shall mean any Goods, including any kind of the Goods or any part thereof as well as services provided by Seller. The Goods specifications and other information about the Goods are available on the Seller's website <https://www.lenze.com/en-lt/> or by sending individual queries in writing to info.lt@lenze.com

Acceptance of the GTPS: The Buyer's referral to the Seller for the conclusion of the Contract and/or placement of an order shall mean (presumably) that he/she has read the GTPS that are available on the Seller's website and accepts them. The Seller shall additionally notify the Buyer about the GTPS by either providing him/her a reference in the order or any other document, or orally, while the Buyer shall be entitled to either submit to the Seller a written disagreement with any provision of the GTPS or suggest a written version of his/her provision within 1 business day (prior to the time of placing an order for the Goods / making a transaction, see Part II (1)).

In the event the Buyer disagrees with any provision of the GTPS or wishes to amend it, the Buyer may in advance apply to the Seller with a specific suggestion in writing, but in any case, it must be done prior to the time of placing an order for the Goods.

If the Buyer expresses his disagreement with any provision of the GTPS and the Seller does not agree to amend it and nevertheless the Buyer still agrees and/or requests performance of the order, it shall be deemed that the Buyer has accepted the relevant provision.

I. Effect and application of the GTPS

1. All relations concerning purchase and sales of the Goods and/or services arising out of purchase of the Goods and/or services from the Seller by the Buyer shall be subject to these GTPS. In the case of a separate contract of purchase and sale and/or order and/or any other document, these GTPS shall be valid for the parties and shall apply to the extent not inconsistent with the terms and conditions of the separate written contract and/or order.

2. The Buyer after having placed the first order and thereby having confirmed acceptance of the GTPS shall not be required to familiarise himself with the GTPS each time thereafter and shall be deemed to be subject to the GTPS for an indefinite period in the future.
3. The Seller shall have the right to refuse performance of the order and/or contract with the Buyer without any adverse consequences for the Seller, if the Buyer does not accept any provision of the GTPS. The disagreement expressed by the Buyer after placement of the specific order has no legal consequence. Any claim or offer must be submitted by the Buyer prior to the GTPS approval (placing an order).

II. Conclusion of Contract

1. Placing an order for the Goods/conclusion of a transaction shall mean the moment when the Buyer expresses a wish to acquire specific Goods and/or services by submitting a list thereof in writing (including but not limited to e-mail) or verbally, where the Seller confirms such request in writing as final, by additionally specifying the final list of the Goods, quantity, preliminary delivery date (see Part IV) and preliminary price thereof (see Part III). If the Buyer disagrees with the term/-s specified in the Seller's final confirmation, the Buyer shall inform the Seller thereof in writing within 1 business day from the date of receipt of such confirmation. If the Buyer fails to make an objection, the order and/or transaction shall be deemed to have been approved under the specified terms and condition.
2. The Buyer shall indicate the correct address for delivery of the Goods and ensure that the Goods are received by an authorized person at the indicated address. If the delivery address is not specified separately, the address specified at the time of the Buyer's request shall be considered the delivery address.
3. Any versions and/or offers sent by the Seller after the final order confirmation shall be deemed to be void and non-binding on the Seller. The Seller shall be obligated to complete the approved version of the final order.

III. Prices

1. The price quoted by the Seller is a net price of the Goods (VAT, delivery and any other costs) are not included in the price of the Goods unless otherwise stated in writing and approved by the Seller.
2. Value-added tax is additionally charged at the rate applicable on the day of invoicing and in accordance with the requirements of legal acts of the Republic of Lithuania valid on the date of invoicing.
3. Packaging, loading, freight and insurance costs, as well as assembly and commissioning costs (if applicable), will be invoiced additionally. The same applies to application-based software.
4. Fees and costs for provision and accreditation of certificates of origin, consular invoices, licences and similar documents will be invoiced to the Buyer separately. Packaging and freight costs will be invoiced at cost price.
5. Freight pallets will remain the Seller's property and must be returned at the Buyer's expense in perfect condition with the next delivery, but in any event no later than within one month following receipt of the Goods with specific pallets. Their replacement with pallets of the same type and quality is permissible. If the pallets are not returned to the Seller within a specified period

or a smaller quantity is returned, the Seller shall be entitled to invoice the Buyer, the amount not exceeding the market price of the pallets not returned on time. The Buyer shall pay such invoice within 3 business days as of its receipt or make an objection in writing within a specified period. If no objection is made within the specified time limit, the Buyer shall be deemed to have accepted the invoiced amount. If the Buyer fails to pay the invoice in due time, default interest in the amount of 0.02% for each delayed day shall be calculated.

6. The Buyer is entitled to return any Goods transport packaging to the Seller; however, the Packages must be clean, free from foreign matter and sorted by substances. Otherwise the Seller shall be entitled to invoice the Buyer for the additional costs generated due to disposal of said materials.
7. Sales of standard equipment do not include any planning work, completion work or other engineering services. These services are not included in the prices. Documentation takes the form of standard operating manuals and standard wiring diagrams. Circuit diagrams and configurations with regard to the concrete drive application do not form part of the Seller's services, neither do mains supply, activation control, external control systems or networking. Before carrying out any works, the Seller recommends to thoroughly analyse the instructions provided or use the services of professionals. The Seller shall not be liable for improper and/or wrong use and/or connection of the Goods.
8. The Seller is bound to adhere to the prices agreed for the order for four months following the date of confirmation. Should longer time periods be required for the Seller to make deliveries and/or perform the agreed works, the Seller shall be entitled, without a prior Buyer's consent, to apply a proportional surcharge on the basis of the original price quotation for the increased costs the Seller has suffered due to increases in material or wage costs, as provided for in these GTPS. The regulation set down in this Paragraph will not apply in respect of prices for which a material price surcharge is agreed as per Paragraph 10 below.
9. A material price surcharge is agreed in an order that applies to synchronous servo motors, where for the synchronous servo motors magnets are used which contain the raw materials neodymium and dysprosium (which are what are known as rare earths). These raw materials are subject to sharp fluctuations in price, and in the price calculation the Seller has taken a base value as at March 2011 or lower values as underlying price in respect thereof.
10. The material price surcharge is applied in the event of a price increase between the base value as at March 2011 and the current value at the time of invoicing. In such instance the Seller shall compare the price for both raw materials (according to how much of them have been used for the respective motor) as at March 2011 and the price at the time of invoicing as long as the respective invoice is drawn up no later than 5 days after delivery; otherwise, the value valid on the day the respective motor is delivered will be used for the calculation. The price used in each such case is the one quoted on the Asian Metal Index (www.asianmetal.com). Price increases arising in relation to March 2011 – based on the weight of the two raw materials used in the construction of the respective motor – will be charged additionally to the specified price. Further details regarding the material price surcharge can be found on our website at

<https://www.lenze.com/en-us/products/motors/servo-motors/material-price-surcharge/>

IV. Delivery and Services

1. The Goods shall be delivered and/or works completed in accordance with the deadlines specified in the final order approved by the Seller. The Seller shall have the right to extend the deadline for delivery of the Goods and/or performance of works by notifying the Buyer thereof in writing, but not more than once per order for a period not exceeding 30 (thirty) days.
2. The deadline for delivery of the Goods and/or performance of works will also be automatically extended by any period of time during which force majeure circumstances have lasted. The force majeure circumstances shall be understood in accordance with Article 6.212 of the CC RL, additionally including cases such as e.g. production breakdowns, intervention of the authorities, changes of regulatory acts, lack of raw materials, shortage of energy supply, labour disputes, etc. In such cases, the deadlines for delivery of the Goods and/or completion of works shall be extended accordingly, however for no more than two months. If the deliveries or performance of the works become impracticable due to the above reasons, the Seller shall be released from fulfilment of the assumed obligations in full, however the Seller must return the Buyer all the funds received for the specific uncompleted order.
3. The deadlines for deliveries and/or performance of works will be extended appropriately if the Buyer fails to comply with the agreed terms of payment or any other contractual obligations.
4. The Seller shall be deemed to have breached the deadlines for delivery of the Goods and/or performance of works, where such deadlines have been finally and specifically approved by the Seller for the specific order and delayed without the Buyer's fault, and such cases or reasons are not provided in these GTPS with regard to extension of the deadlines.
5. In the event of a delay of deliveries and/or performance of works for which the Seller is culpable, the Buyer may demand compensation amounting to 0.5% of the specific delayed amount of the order per week.
6. In any event, the amount of default interest claimed from the Seller shall not exceed the amount of the specific order in delay.
7. If the Buyer is in delay with any payment of any kind for more than 3 business days or if a worsening of the Buyer's financial condition occurs (including but not limited to a fact of seizure of assets and/or indebtedness, and/or significant reductions in staff and/or other creditors' lawsuits, and/or non-payment of invoices, etc.), the Seller shall be entitled to refuse any further performances without a prior warning and demanding a full prepayment. In this case, the Seller shall suspend the fulfilment of the obligation until the Buyer makes advance payment for the specific order indicated by the Seller.
8. Any deliveries and transportation of the Goods are made EXW in accordance with the provisions of Incoterms 2010, unless otherwise specified in the written order and confirmed by the Seller.
9. Any claims regarding obvious quality, quantity or other defects of the Goods or packaging thereof shall be stated by the Buyer in writing to the Seller on the day of receipt of the Goods.

10. In the event of cancellation of the order not due to the Seller's fault, the Seller shall be entitled to claim penalty amounting to half the amount of the order from the Buyer for such cancellation and/or withdrawal.
11. Cancellation or withdrawal of an order shall be considered the case when the Goods are not accepted within more than 14 days after the date of notification of the delivery to the Buyer, as well as such cases when the Goods are not accepted at their delivery and 14 days thereafter for any reason (the Buyer does not accept the Goods at the Seller's business address in Lithuania for more than 14 days from the date of delivery or notification of the delivery of the Goods). In any case, the Goods may be stored for a period of 12 months at the Seller's place of business, however, the Buyer, in order to accept the ordered Goods later than within 14 days, shall be charged additional warehousing charges of at least 0.5% of the order amount per month.
12. If at the Buyer's request the delivery of the Goods is delayed by more than one month as stated in the order the Seller is entitled to invoice warehousing charges of 0.5% of the price of the delayed consignment for each storage month commenced in this case, although no more than a total of 5% of the price of the delayed consignment.

V. Payments

1. Unless in a specific written order agreed otherwise, any Seller's invoices are payable within 7 (seven) days as of the invoice issuance and delivery date.
2. An invoice shall be delivered to the Buyer together with the Goods or shall be sent immediately after the date of delivery of the Goods.
3. If the term of payment is exceeded, the Buyer is required to pay default interest of 0.02 per cent per day from the total outstanding amount. Default interest will be calculated without any reminder being required.
4. The Seller shall be entitled to include a provision in the order where an advance payment is demanded. The amount of the advance payment shall be determined by mutual agreement between the parties and defined in the specific order separately. If the order specifies an advance payment, the Buyer shall pay it within 3 business days from the moment the order is placed (unless otherwise provided in the order in writing).
5. The advance payment, if paid according to a specific order, shall also serve as the security for fulfilment of the Buyer's obligations (upon the Buyer's cancellation or termination of the order or contract without the Seller's fault, the Seller shall retain the advance payment and include it in the penalty or part thereof).
6. Any payments made by the Buyer shall be set off in accordance with Article 6.54 of CC LR no matter what the payment purpose is specified in the payment order.
7. Retention of title to the Goods shall be transferred to the Buyer as of the moment of full payment for them only, however, the accidental risk of loss and/or damage to the Goods shall pass to the Buyer in accordance with these GTPS.
8. The Buyer shall insure the Goods in favour of the Seller and shall provide a copy of the insurance policy to the Seller upon his written request within 3 business days. An unexpressed request by the Seller does not constitute a waiver of this right. If the Buyer fails to submit the requested document within the specified period of time, the Seller shall be entitled to insure the transferred Goods at the expense of the Buyer.

9. Should the Buyer fail to make payments for the Goods in due time, such Goods shall be returned to the Seller only if so requested by the Seller in writing within the time limit specified in the claim, at the Buyer's expense. The returned Goods shall be in the condition as when delivered to the Buyer.
10. If the Buyer fails to pay for the Goods in due time, the Seller shall be entitled to collect the Goods without cancelling the order and/or contract. The price of the returned Goods specified in the order or any other document shall be credited less its depreciation (if the packaging is damaged or the Goods have any other defects, nevertheless the Seller agrees to accept them) and the cost of collection (if not delivered by the Buyer).
11. The Buyer shall immediately notify the Seller of any existing or potential encumbrances on the Goods that the Seller retains the title to.
12. The Buyer shall have no right to sell the Goods for which the accounts have not been settled with the Seller. Should the Buyer breach his obligations, the Seller shall be entitled to collect the Goods from third parties, and if this is not possible, the Buyer shall pay penalty equal to the double price of such Goods. If the Goods are recycled and/or incorporated, the Seller shall be entitled to collect the entire item in which the Goods are incorporated or recycled, provided that the Goods cannot be separated from the item without causing damage to it.

VI. Quality of Goods and Warranty Service

1. The Seller guarantees that the Goods supplied by it are free from material defects or legal encumbrances. The Goods supplied to the Buyer conform to the standard quality, unless otherwise stated in writing in a specific order (e.g. special quality, used product, etc.). The Seller warrants that the Goods delivered to the Buyer can be used for their intended purpose. The Buyer is informed and accepts minor changes to the Goods as compared to those shown on the website, in a brochure, commercial offer or otherwise, and such changes shall not be deemed defects and/or flaws of the Goods, unless such changes determine essential functional indicators or the purpose of use of the Goods.
Permissible differences may be minor changes to the Goods in terms of their construction, form and design, as well as to the data to be provided in the description and works performed, or relate to standard commercial quantities, quality and design allowances.
2. Specifications published in text or drawing form, for example in catalogues, descriptions, illustrations and blueprints, as well as dimensions, weight and performance specifications serve only to describe the nature of the Goods. The Seller reserves the right to make any changes to technical data and designs in the interest of technical progress and development.
3. The Buyer is still obliged to accept the delivery/works performed, provided that the Goods present minor, insignificant faults that should be provided to the Seller in writing during acceptance of the Goods.
4. Obvious defects must be claimed in writing no later than within 1 business day as of the day of delivery or acceptance of the Goods.
5. Warranty service for the Goods shall be provided upon full payment only. The Seller shall have the right to suspend the fulfilment of its warranty obligations if the Buyer has delayed payments to the Seller for any other Goods delivered.
6. Used Goods shall not be covered by any warranty, unless separately agreed otherwise in writing or prescribed by legal acts of the Republic of Lithuania.

7. During the warranty period, hidden defects of the Goods must be notified in writing by the Buyer at the latest 7 (seven) days after their discovery. The Buyer is obliged to provide the Seller with a detailed written description of the defects and particular photos. If the Seller does not receive this written notification or if it is handed in too late, the Buyer loses his warranty claims for the defective Goods. The inspection of the Goods by the Seller after their return, in no case releases the Buyer from submitting a written claim according to the specified deadlines and procedure.
8. The Buyer must grant the Seller opportunity to inspect the Goods in order to determine a potential cause of the defect/-s. In case warranty service is applicable for the Goods (manufacturing defects, the Goods have been paid for and other specific cases) the Seller shall be entitled at his option to eliminate the defect or to supply proper analogous Goods. These terms and conditions are different for consumers, whose warranty obligations are fulfilled only after payment for the Goods, in accordance with the procedure established by CC LR.
9. The Seller shall have the right to withdraw from fulfilment of its warranty obligations if it will cause unreasonably high costs, especially if the expenses arising from the elimination of the defect will exceed the marketing value of the Goods or if the costs for replacement purchase by the Seller will exceed the marketing value of the Goods by 1.5 times. In this case, the Seller shall reimburse the Buyer for the amount paid for the Goods.
10. As a rule, the Seller must be granted a minimum period of three weeks for repair and/or delivery of the Goods or a part thereof, unless the parties have agreed otherwise in writing on an individual basis, e.g. in urgent cases in which disproportionately great damage is imminent or operational safety endangered. If the Seller fails to fulfil its warranty obligations within this term, the Buyer, with a prior notice, will be entitled to put forward other remedies provided by laws, in particular, to withdraw from the contract, to reduce the purchase price and also assert claims for damages.
11. Withdrawal from the contract is an *ultima ratio* measure. i.e. the parties shall seek to maintain the contract and withdrawal from it shall be excluded for minor defects (including but not limited to colour, some other parameters, etc).
12. Warranty service will be provided only after the manufacturing defects of the Goods have been established. Warranty claims also cannot be asserted if the defects derive from natural wear and tear of the Goods, faulty or negligent handling (not in accordance with the instructions, etc.), negligent or improper maintenance, improper utilisation or inadequate application, faulty installation, extensive strain or usage of inadequate operating devices, or due to impairment as a result of physical or mechanical external impact, or damage to the Goods at installation, etc. Warranty claims against the Seller are also excluded if the Buyer himself or a third party has performed repairs, when the Seller has not been notified of the failure and/or has not refused to repair the failure. Therefore, the Buyer is advised to contact the Seller in advance in writing with any questions regarding the use, maintenance or other issues related to the Goods. Failure to exercise this option shall result in the Buyer assuming all associated risk.
13. Both the Buyer and the Seller shall be compensated only for direct losses. This stipulation is not limited to warranty obligations.
14. The warranty period shall start from the moment of delivery of the Goods to the Buyer (provided from the moment of full payment for the Goods). The warranty

period is 2 (two) years from the moment of delivery, unless otherwise stated in the written order or if the Goods are used.

15. The Seller is responsible for the proper performance of the warranty obligations.

VII. Requirements for the Goods

1. The Seller confirms that the Goods being sold are not pledged or the title to them otherwise encumbered. The Seller also guarantees that the Goods supplied do not infringe third parties' intellectual property rights or copyrights. This guarantee is valid only in the country in which the Seller has its registered office (home country), unless otherwise separately agreed in writing. In no case the Seller shall be liable where these rights are infringed under the laws applicable to the Buyer or if the Buyer infringes the law by unauthorised changes of the Goods or the Buyer uses the Goods not for the intended purposes and/or these Terms as well as additional information provided by the Seller.
2. The Buyer shall ensure and be responsible for ensuring that the projects created or used by him for which the Goods are purchased do not infringe any rights or legitimate interests of third parties. The Buyer shall be responsible for the compliance of any information provided to the Seller with legal requirements.
3. The Buyer must ensure that third parties' intellectual property rights are not infringed by the records, objects, etc. that have been handed over to the Seller for the purpose of delivery or service. If any third party prohibits the Seller from providing its service, production or delivery under reference to intellectual property right it owns, the Seller will be entitled to cease the work and to demand reimbursement for its expenses. Records, objects, documentation, etc. that have been handed over to the Seller but did not result in an order being placed will be returned to the Buyer at request against reimbursement of the costs. Otherwise the Seller will be entitled to destroy such materials three months after submission of the offer.
4. The Seller reserves the property and non-property rights as well as copyrights to all samples, models, drawings, estimations, calculations and similar information related to the Goods – also those in electronic form. Such information will not be made available to third parties. If the Buyer receives such information in connection with conclusion of the contract, he will be obliged to immediately return the information free of charge to the Seller if the contract is not concluded. The Buyer is obliged not to make available any information to third parties without the Seller's prior consent, if it has expressly been described as confidential.
5. Insofar as the Goods or a component thereof include software, the Buyer has the non-exclusive right to use this software. The Buyer is prohibited from copying, multiplying or otherwise reproducing it. The Parties may, in individual cases, agree otherwise in advance in writing.

VIII. Seller's Liability

1. The Seller shall be responsible for the proper fulfilment of its obligations in accordance with these GTPS and legislation of the Republic of Lithuania.
2. The Seller shall be liable for direct damages only if they are the result of intentional or gross negligence on the part of the Seller.
3. The Seller shall be solely responsible for the conformity of its activities with the requirements of the Law on Environmental Protection and other legal acts of the Republic of Lithuania.

4. Prior to placing any order, the Buyer is obliged to give the Seller a prior notice in writing of any potential non-standard and exceptional risks (if any), the likelihood of loss, insofar as it is depending on the characteristics of the Goods or other parameters, and the amount of potential loss (which can or could arise as a result of use of the Goods by the Buyer or any other actions). The Seller shall bear no responsibility if the Buyer fails to give the Seller such notice of the potential risks and losses.

IX. Other Rights and Obligations

1. In any case, the Buyer shall be entitled to claim any penalty and/or losses from the Seller only after giving a prior written notice to the Seller and granting it an additional reasonable amount of time to fulfil its obligations.
2. Should the Buyer fail to fulfil and/or properly fulfil his obligations, the Seller shall have the right to terminate a specific order of the Buyer by giving him a notice no later than before 5 business days and after having granted him an additional period of not less than 3 business days for fulfilling its obligations.
3. The Buyer shall have the right to terminate or cancel a specific order only due to breach of the Seller's essential obligations by giving it 10 business days written notice and after having granted it in writing an additional reasonable period for fulfilling the above-mentioned obligations (in the event of non-performance the Buyer shall be entitled to terminate the order).
4. Unilateral cancellation of an order shall be deemed to be unlawful if it is terminated and/or cancelled not in accordance with the provisions set forth in the GTPS.
5. The party which unlawfully terminates or cancels the order or through fault whereof the order is lawfully terminated, shall pay the other party a penalty equal to half the amount of that order. This is considered to be the minimum loss to the other party resulting from the termination and/or cancellation of such order.
6. The Seller has the right to amend some terms and conditions of the GTPS by giving a prior written notice to the Buyer 30 days before the amendment takes effect. The Buyer shall be deemed to have accepted the amendment/-s if he has not given his written objection before the entry into force of such amendments (the amendments take effect within 30 days from submission of information thereof) or, after receiving the information, has placed an order or contacted the Seller in relation thereto.
7. The Buyer, internal is obliged to comply with all applicable national and international export controls and sanctions regulations, in particular the ones of the United Nations, the European Union, Germany and the United States. Further, the supply of listed dual use items is strictly limited to imports for free circulation into the customer's jurisdiction. Imports into free zones or free warehouses are strictly prohibited. This obligation applies only insofar as it does not lead to a violation against EU or German blocking statutes.

X. Data Protection

1. The Buyer shall provide the data to the Seller only such and to the extent necessary to place and properly fulfil the order.
2. The data protection policy in accordance with applicable legislation is stipulated in other documents declared by the Seller and in national, internal legislation. Should the Buyer wish to familiarise himself with the above-mentioned documents or have any queries he may contact the Seller directly.

XI. Final Provisions

1. These General Terms of Purchase and Sale (GTPS) apply to any Buyer who contacts the Seller for any Goods and/or services.
2. The relations between the parties shall be governed by the law of the Republic of Lithuania irrespective of what is the Buyer and in which country the Buyer is located. The territorial jurisdiction is determined by the location of the Seller's registered office, in the courts of the city of Kaunas, Lithuania, except for the relations with consumers (Art 6.228' (2) CC RL).
3. If the Buyer does not understand the Lithuanian language or these GTPS are not clear to him for any other reason, he has the right to contact the Seller in writing with a request to provide an understandable version and/or explanations prior to placing an order or conclusion of a transaction. If the Buyer does not contact the Seller in advance in writing, he assumes the risk and its possible negative effects.
4. Both the Buyer and the Seller must notify each other in advance in writing (including, but not limited to, a change in address, etc.) of any change in their details that is essential to the proper fulfilment of orders.
5. Information of the Buyer and the Seller sent by e-mail is considered written information and does not require separate sending of the original documents by registered mail. Information sent by e-mail shall be deemed received on the following business day.
6. These GTPS shall enter into force and shall apply to any and all orders for the Goods and/or services placed from 1 March 2020.