

WARRANTY AND GUARANTEE TERMS

(GENERAL)

1. Validity

The following warranty and guarantee terms are valid for companies of the PALFINGER Group (hereafter known simply as "PALFINGER") mentioned in appendix 1 in addition to PALFINGER's contracting partners in respect of the products listed in appendix 2.

The appendix 3 "product specific warranty and guarantee terms" contains details w.r.t. guarantee periods and extent as well as information, in which way the warranty claims have to be handled for the respective product (hereafter mentioned simply as "agreed form").

2. Receipt of Products

On receipt of products, the contracting partners must inspect them immediately for possible damage, obvious defects and for completeness.

In the case of transport damage, such damage must be noted in detail on the consignment note and reported immediately to the service provider. General remarks or reservations are not permitted.

Missing parts or wrong shipments must be reported to PALFINGER using the agreed form (e.g. by eClaim using the "claim on delivery" function) within two weeks of product delivery.

3. Product Storage

If products are to be stored for a period of more than three months, the contracting partner must protect or safeguard them against environmental conditions using appropriate means. Additional information is available at the responsible PALFINGER service department.

4. Warranty

The warranty covers a period of 12 months from delivery to the contracting partner. He only has the right to a rectification of the product. He only has the right to an exchange of the product if rectification is impossible or not feasible economically. Additional agreements between the contracting partner and the end customer are not covered by PALFINGER.

Defects covered within the scope of the warranty must be notified to PALFINGER using the agreed form (e.g. by eClaim using the "claim on delivery" function).

5. Guarantee

PALFINGER grants the contracting partner a guarantee for a specific period of time after delivery to the end customer of the products listed in appendix 2. The guarantee for the products is subject to the predetermined periods of time and special regulations according to appendix 3.

“Guarantee” is defined as PALFINGER’s voluntary responsibility regardless of the warranty commitment, to provide rectification in the case of defective parts or to find a remedy where rectification is not possible or not feasible during the guarantee period.

Processing of guarantee and warranty claims made by the end customer will be carried out by the contracting partners in accordance with the warranty and guarantee terms of this document.

Professional mounting (in so far as is necessary) according to PALFINGER’s installation guidelines is a prerequisite for the validation of warranty and guarantee claims against PALFINGER.

In the case of a guarantee or a warranty failure, only PALFINGER original spare parts shall be used. The installation of third-party parts will completely invalidate all guarantee and warranty claims.

The use of skilled staff and appropriate tools as well as PALFINGER diagnostic software (if warranted by the product) is a requirement for refunding of any products supplied.

No liability is accepted or warranty or guarantee provided for the mounting of and subsequent modifications to PALFINGER products unless such mounting or modifications are carried out by PALFINGER.

All claims, under any title whatsoever, which arise over and beyond the exchange or repair of defective parts, such as redhibitory action, reduction of price, loss of earnings, machine downtime, mileage, consequential losses or other costs are excluded. The contracting partner must ensure that appropriate limitation of liability is also valid for any subsequent owners. This applies to mobile as well as stationary products (stationary assembly, the product can no longer be moved).

Liability for losses due to slight neglect on PALFINGER’s part is excluded in any case.

The guarantee obligation, liability or warranty do not cover damages or deficiencies as a result of force majeure, incorrect handling, non-defined usage, alterations to the equipment or incorrect repair, fault of the contracting partner himself or of a third party, insufficient maintenance, not carried out amendment calls or failure to observe the operating instructions.

The guarantee does not extend to resources, such as oils, greases and filter cartridges.

Guarantee and warranty claims can only be validated, if the lead seal on the product is intact and the prescribed service intervals have been complied with and duly verified in accordance with Service Manual. See also point 8 on this subject.

Training on the equipment and instruction in respect of the documentation supplied (especially the operating instructions) must take place within the scope of product handover.

6. Delivery

Product handover to the end customer must be carried out by qualified specialist staff from a PALFINGER-contracted workshop following a “delivery inspection” performed in accordance with Service Manual and must be documented in the section covering delivery.

Claims made under the guarantee will only be processed if the eClaim notification “Notify commencement of guarantee” has been filled in completely and received by PALFINGER no later than three (3) weeks after delivery to the end customer. Guarantee claims will be rejected in cases where the notification has not been sent in or has not been sent in time.

7. Guarantee and Warranty Period for Spare Parts

Guarantee and warranty periods for spare parts are the same as for the product. A claim under the guarantee must be submitted by the agreed form (e.g. by eClaim as "Spare part warranty").

8. Lead Sealing

The lead seals of valves or electronic settings may only be removed and reapplied or reset by qualified staff of an authorised PALFINGER dealers' shop.

The guarantee and warranty claim will be invalid in the case of defective or imperfect seals, or if the settings are incorrect or manipulated.
PALFINGER accepts no liability whatsoever in these cases.

9. Guarantee Processing

Guarantee or warranty work may only be performed by qualified staff of an authorised PALFINGER dealers' shop. It is the service partner's responsibility to check whether a guarantee claim exists (by examining the Service Manual for example).

PALFINGER must be consulted prior to the commencement of work in the case of costly repairs (over EUR 2,000) and repairs where it is subsequently no longer possible to determine the cause of the fault or in cases where production defects are suspected.

The notification of a guarantee claim must be submitted to PALFINGER by the agreed form (e.g. eClaim). PALFINGER must have received notification of the guarantee claim no later than four (4) weeks after the repair date.

PALFINGER has the right to reject guarantee claims that are not submitted in time.

In the case of damages which are difficult to explain clearly in written text, PALFINGER requires additional documentation, illustrations or photographs. These must be attached to the guarantee claim report as files.

Documentation in the form of photographs should be sent as soon as possible at any event in the case of steel component failures (make direct contact with the person responsible for processing the claim). The component's identification data must be attached to the guarantee claim report.

All information and materials requested by PALFINGER in addition to the guarantee claim report must be provided without delay.

PALFINGER undertakes to process guarantee claim reports within four (4) weeks of receiving all information and materials required for this purpose.

PALFINGER reserves the right to issue subsequent invoices in the case of approved guarantee claims, which are proven to have been caused as a result of third party faults or if the claimed part is fault free.

10. Guarantee Material

Defective guarantee parts must be sent to PALFINGER, postage paid, within two weeks of electronic request by the agreed form (e.g. by a request through eClaim). Guarantee parts, which have not been requested, may be destroyed after receiving the processed guarantee claim.

Guarantee material which has been requested must be cleaned, neatly packaged, labelled with the eClaim notice "Requested guarantee material" and returned to the appropriate PALFINGER service department.

If a claim is not validated, the contracting partner may request return of the material within two weeks otherwise it will be scrapped.

The contracting partner will pay the transport costs for the material requested.

11. Hourly Rate for Guarantee Work – Units of Work

The units of work arising in the case of a guarantee claim will be aligned on the basis most recently valid hourly rate for guarantee work agreed with PALFINGER.

The units of work must be taken from the most recently valid catalogue of repair times. Time taken locating defects will only be reimbursed if PALFINGER acknowledges that this is justifiable in its necessity and scope.

12. Compliance with the Prescribed Maintenance Intervals

The guarantee claim will only be validated if the product has been maintained in accordance with the service plan (see the Service Manual).

All service and repair work carried out must be entered in the Service Manual together with details of the current number of hours in operation.

Special repairs (e.g. the replacement of major components or systems) must be entered in the appropriate fields in the Service Manual.

PALFINGER reserves the right to request a copy of the relevant pages of the Service Manual for inspection. This should be sent either by fax or electronically.

13. Spare Parts Supplied

PALFINGER will invoice any spare parts supplied. A credit note will be issued if the guarantee claim is assessed positively after inspection of the material presented. Additional costs such as customs duties, transport costs, etc. will not be reimbursed.

14. PALFINGER Accessories „Made by Kinshofer“

The hydraulic cylinder or the oil pump must be replaced completely if defects arise in PALFINGER accessories "Made by Kinshofer" during the guarantee period.

When a repair or an attempt at repair is made, the guarantee and warranty in relation to this become invalid and PALFINGER's liability is excluded.

Claims are to be sent to PALFINGER in the usual way with details of the accessory's type and serial number together with the guarantee material.

15. Duty to Minimise Damage; Replacement and Reinforcement Campaigns

The contracting partner has a duty to minimise any possible damage, in particular to carry out repairs as quickly as possible before further damage arises or existing damage is increased. It is in the contracting partner's best interests to cooperate as fully as possible in replacement and reinforcement campaigns and to carry them through. PALFINGER has the right to claim reimbursement for losses which result from insufficient cooperation or non-performance of replacement or reinforcement campaigns or result from violations of the duty to minimise damage.

16. Behaviour in the Case of Accidents

If a PALFINGER product causes damage to either people or property, the exact nature of the accident must be reported to PALFINGER immediately using the form available from PALFINGER and must also be reported to the contracting partner's locally responsible insurance company. The description of the course of events leading to the accident damage must be supplemented by photographs.

All components that might be responsible for causing the damage must be made safe immediately. All further actions have to be carried out in accordance with PALFINGER.

17. General Information

The contracting partner must ensure that the minimum conditions specified in these terms of warranty and guarantee are agreed to by distributors, end customers and other purchasers and that the responsibilities arising from them are accepted.

With complete performance of the warranty claims of the customer of the contracting partner by PALFINGER based on these regulations the contracting partner has no further rights of recourse against PALFINGER because of his own (legal) warranty obligations towards the customer.

PALFINGER is not liable for any agreements of a contracting partner that go beyond these terms.

With the exception of the UN Convention on the International Sale of Goods, the only law applicable is Austrian law. The legal venue is Salzburg.

Every amendment or exception must be in writing as well as a record kept of departure from the requirement for the written form. PALFINGER reserves the right to amend these warranty and guarantee terms unilaterally. All claims will become void on violation of the obligations specified in these warranty and guarantee terms. These warranty and guarantee terms supersede all conditions made on this subject and in existence prior to this date.

Should specific clauses of these terms be or become invalid, illegal or unenforceable, those remaining will be unaffected and still valid. In this case, terms which fulfil the intended purpose of these clauses will be deemed agreed and will replace the clauses that are invalid or unenforceable.

Product-specific terms (Appendix 3) override and supplement the general warranty and guarantee terms.

Otherwise, PALFINGER's general terms and conditions of business are applicable unless they are modified by these terms.

APPENDIX 1

This warranty and guarantee terms are valid for the following PALFINGER companies:

PALFINGER Europe GmbH
Franz Wolfram Schererstraße 24
5101 Bergheim
AUSTRIA

EPSILON Kran GmbH
Christophorusstraße 30
5061 Elsbethen
AUSTRIA

PALFINGER PLATFORMS GmbH
Düsseldorferstraße 100
47809 Krefeld
GERMANY

S.A.S. GUIMA PALFINGER
29A, avenue des Tourondes
82300 CAUSSADE
FRANCE

MBB Palfinger GmbH
Fockestraße 53
27777 Ganderkesee-Hoykenkamp
GERMANY

Palfinger Marine- und Beteiligungs-GmbH
Franz Wolfram Schererstraße 24
5020 Salzburg
AUSTRIA

APPENDIX 2

This warranty and guarantee terms are valid for the following PALFINGER products:

- **PALFINGER cranes**
- **EPSILON PALFINGER products**
- **PALFINGER CRAYLER transportable forklifts**
- **PALFINGER PALIFT products**
- **GUIMA PALFINGER products**
- **PALFINGER PLATFORMS areal platforms**
- **PALFINGER RAILWAY products**
- **MBB PALFINGER products**
- **PALFINGER Marine cranes**
- **PALFINGER Wind & Offshore cranes**

APPENDIX 3

WARRANTY AND GUARANTEE CONDITIONS

(MARINE AND WIND CRANES)

1. General

The product-specific warranty and guarantee terms of Palfinger Marine- und Beteiligung GmbH (hereinafter referred to as Palfinger) for the following products:

Marine cranes

Wind cranes

2. Definitions

Marine cranes:

- On-board ship or quayside-mounted
- Platform cranes for offshore drilling or conveyor facilities

Wind cranes:

- Platform cranes for wind turbines
- Platform cranes for wind farm transformer substations
- Gondola cranes (wind turbines)

3. Guarantee and warranty terms

These guarantee and warranty terms apply to Palfinger marine and wind cranes.

4. Component guarantee

Palfinger grants the contract partner a full guarantee for 12 months or 1,000 operating hours and a guarantee for load bearing parts for 24 months or 2,000 operating hours, whichever in each instance is reached first.

The guarantee period starts to run on handover to the end customer and in any case not later than 6 months after the crane is shipped from the factory.

Load bearing parts are weld components that show no natural wear and tear. They include cylinder pipes, mounting plinth, base, main column, crane column, main boom, outer boom, extension booms and mechanical extensions.

Palfinger grants a 12-month guarantee against any formation of corrosion from the inside to outside. Excluded from this guarantee are parts with natural mechanical abrasion or wear, such as tread plates, ladders, access platforms and control stands, cable winches and rope winch accessories, plus any crevice corrosion on the slew bearing or fulcrum pin connections.

A case exists (to make a claim under the guarantee) if during the guarantee period the coated surfaces exhibit a degree of rust greater than Ri2 as defined by DIN EN ISO 4628-3 or any formation of cracks or blisters occurs.

Any defects found in the existing coating structure due to mechanical, chemical or thermal damage (UV radiation, temperature, blistering) that arise during the guarantee period are excluded from the guarantee and warranty, regardless of who caused them.

5. Guarantee extension

For an additional charge, Palfinger provides the option of extending the full guarantee period to a maximum of 60 months. Prerequisites:

- Stainless steel piston rods
- Norsok 501 for PX cranes, C5M for PK cranes (C4M for gondola cranes)
- Maintenance carried out in compliance with the prescribed maintenance guidelines by an authorised service partner

For the guarantee to be extended the surfaces must be inspected annually by Palfinger. The inspection is to be organised in consultation with and with the involvement of the contracting partner. The latter bears the cost of the inspection.

Any surfaces that are already showing damage at the time of the inspection but do not fall under the guarantee are to be put right by Palfinger on a chargeable basis as soon as possible, ideally while still conducting the inspection. Palfinger personnel must carry the necessary tools and supplies with them. It is deemed agreed that over and above this Palfinger will carry out an inspection of all surfaces. Defects falling under the guarantee will be cleared up by Palfinger at no charge. Appropriate documentation is to be kept for the splitting of jobs into chargeable and free of charge corrective measures.

In the event that make-good work is effected through a replacement delivery, the guarantee period begins anew for the newly supplied components. Where make-good work is effected through repair, the original guarantee period gets extended by the time taken to complete said repair.

6. Criteria for guarantee and warranty claims

In relation to marine and wind cranes the following conditions apply:

The crane must be set up in accordance with the latest valid set of assembly instructions. Commissioning of the machine must be carried out by Palfinger or an authorised service partner.

Time spent travelling in the event of a guarantee case will be compensated on the basis of Palfinger's latest applicable hourly rate for guarantee work (means of transport free at port). In the event of bad weather, Palfinger will accept a maximum wait of one working day.

Exceptions:

The following expenses are to be settled by the contracting partner:

Passage by ship or helicopter of personnel, equipment and materials, including, where applicable, requisite provision of food and accommodation on site. Provision of scaffolding, including workplace lighting and, where applicable, enclosures (environmental protection, weather protection);

Regardless of the basis on which they may be made, claims that go beyond the exchange or repair of defective parts, such as claiming the right to cancel, to a price reduction or to compensation for lost profits, downtime, consequential damage or losses or any other cost will not be entertained. The contract partner must ensure that an appropriate restriction of liability also applies to all succeeding contract partners.

No liability will be accepted for any losses arising due to minor negligence on Palfinger's part.

Any guarantee, liability or warranty for damages or defects that result from force majeure, improper handling, incorrect use, modification of the device or improper repair, through the fault of the contracting partner or of any third parties or due to insufficient maintenance or non-compliance with the operating instructions are excluded. The guarantee / warranty does not cover any supplies such as oil, grease or filter cartridges.

7. Storing the products

7.1 Storage conditions

Cranes, crane components, power units and accessories must be stored in their original packaging in a suitable warehouse. The warehouse must be clean, dry and ventilated. There must be no corrosive gases, dust, knocks or vibrations. Components must be protected from insects and other small animals and rodents. Ambient temperature of between -20°C and +50°C with maximum relative air humidity of 75%.

7.2 Short-term storage (less than 2 month)

A crane that is not being installed at once must not be stored unattended or without any measures being taken to protect it. In the case of temporary storage – lasting a few days – in the open, the crane / crane components must be covered with weatherproof tarpaulins. Power units and accessories must not be stored outside. Open bearing points and flanges must be protected against corrosion with wax and covered over.

7.3 Long-term storage (2-6 months)

All power units and oil tanks must be filled with oil!
When any work is being done around the crane, it must be protected from dust, grit or shavings. Storage conditions (protective measures) must be checked on a monthly basis. Any corrosion must be cleared up immediately. Maintenance jobs must be carried out as per the maintenance guide.

7.4 Long-term storage (crane installed but not put into operation)

All power units and oil tanks must be filled with oil!
When any work is being done around the crane, it must be protected from dust, grit or shavings. Storage conditions (protective measures) must be checked on a monthly basis. Any corrosion must be cleared up immediately. Maintenance jobs must be carried out as per the maintenance guide.

8. Conditions of maintenance for marine and wind cranes

8.1. Conditions of maintenance for wind cranes

In order not to invalidate the guarantee and warranty the contract partner is required to ensure adherence to the maintenance guidelines. The maintenance guide provided with the product shipment also applies.

8.2. Conditions of maintenance for marine cranes

In order not to invalidate the guarantee and warranty the contract partner is required to ensure adherence to the maintenance guide provided with the product shipment.

9. Guarantee and warranty process

Any defects must be reported in writing.

10. Parts giving rise to guarantee / warranty claims

If requested, defective parts must be sent to Palfinger in the agreed form.
Costs of carriage for returning the requested part(s) are to be borne by the contract partner.

11. Hourly rate for guarantee work / work units

Time spent on work arising in the event of a guarantee / warranty claim is compensated at the latest applicable Palfinger hourly rate for guarantee work.