

General Purchase and Delivery Conditions No.:01/2012 of the company SUS Schleiftechnik und Maschinenhandel GmbH (henceforth named SUS GmbH in this document) - As of: January 2012

I. General, Scope

1. The General Purchase and Delivery Conditions No.: 01/2002 is applicable to the entire business relationship between SUS GmbH and the consumer or future consumers. Other purchase conditions or general business conditions of the consumer are hereby invalid and would not be applied. S u. S GmbH is, on notification of such, entitled to change its General Purchase and Delivery Conditions No.: 01/2002, which would become applicable to the entire business relationship with future consumers.
2. The General Purchase and Delivery Conditions are also applicable to framework agreements with consumers as well as individual contracts.

II. Contractual Aspects

1. Quotations from SUS GmbH are not binding and without obligation. Specifications provided relating to dimensions, weights, colour, material and equipment are approximations only unless expressly described as warranted characteristics in the confirmation of order. Should SUS GmbH provide access to documents such as drawings or technical documents associated with a deliverable technical procurement item, these remain the property of SUS GmbH indefinitely.
2. Orders made by consumers are binding. Unless otherwise indicated in writing by SUS GmbH, the delivery itself or invoice is deemed to be the order confirmation.
3. If the consumer is a businessman as defined by Art. 14 BGB (Bürgerlichesgesetzbuch – i.e. German Law), the content of orders and agreements are considered as certifiably correct once confirmed in writing by SUS GmbH unless the consumer immediately opposes these in writing. This applies in particular to verbal or telephone orders and agreements. A communication is not considered immediate if not received by SUS GmbH within seven days.

III. Delivery Time, Content, Delay

1. Delivery times and periods are considered to be approximate unless SUS GmbH confirms such in writing as binding. In the event of a delay in the clarification of all elements of a contract as well as the untimely settlement of all prepayments by the consumer, delivery times will also be protracted accordingly. Delivery times are deemed as kept once delivery availability is declared.
2. SUS GmbH is entitled to part deliveries as long as this does not fall below reasonable minimum measure.
3. The consumer should verify and confirm the delivery note. Any discrepancies should be reported in writing to SUS GmbH immediately. In all other events, the delivered quantity will be considered to be accepted as correct.
4. For delivery delays caused by operational faults, local or governmental measures, absence of SUS GmbH suppliers or higher forces, then the delivery period will be extended accordingly within reasonable limits. Higher forces can also include working related matters such as strikes or lawful denial of access to business premises of SUS GmbH or SUS GmbH suppliers. Consumers are not, in principal, entitled to claim for damages (general limited liability).

IV. Prices, Payment Terms

1. Prices exclude VAT, freight, customs duty, postage, insurance and other expenses. The prices given for brand new machines are calculated according to the prices that are current on the delivery date. The consumer always carries packaging costs; return of materials is excluded.
2. Unless otherwise agreed, invoices are to be paid in full immediately upon receipt.
3. Should the consumer delay payment, SUS GmbH is entitled to charge interest on the outstanding balance at 10% above base rate. Further action such as a claim for damages due to non-payment remains at the discretion of SUS GmbH.
4. The consumer shall only be entitled to offset payments in cases where his counter-claims are established by due legal process, are undisputed or have been acknowledged by SUS GmbH. He shall furthermore only be entitled to exercise a right of retention to the extent that his counter-claims are based on the same contractual relationship. Any assignment of consumer claims arising from the business relationship to third parties is prohibited.

V. Risk Transfer, Receipt Acceptance

1. Risk begins with loading and/or the sending of the deliverable item to the consumer. This also includes when a part delivery is made or SUS GmbH carries out other services such as delivery costs or delivery and set up and/or installation. Should the deliverable item need to be taken over by the consumer then takeover occurs at the same point as risk transfer. Takeover must occur immediately at the agreed takeover date and cannot be refused due to a simple or minimal discrepancy.
2. Should the delivery and/or takeover be delayed due to reasons outside of SUS GmbH control, then the risk transfer will occur at the point in time where the delivery and/or takeover is declared as prepared and/or arranged.

VI. Guarantee, Notice of Defect

1. SUS GmbH assumes liability for defects to the delivery under exclusion of further claims as follows:
 - 1.1. The guarantee period for new products for private use (Verbrauchergüterkauf, § 474 BGB, i.e. consumer goods purchase – german law book § 474 BGB) is 24 months from point of risk transfer and 12 months for commercial and/or business use respectively.

1.2. For used products, the guarantee period is 12 months (Verbrauchergüterkauf, § 474 BGB, i.e. consumer goods purchase – German law book § 474 BGB), for commercial and/or business use there is no guarantee. Used machines are delivered with those accessories that are available in the condition as described at the point of finalised contract. Liability is also excluded for open or hidden defects even if the machine has not been previously inspected by the consumer unless SUS GmbH deliberately conceals information concerning known defects or by negligent withholding of such information.

2. The directives in part 1 does not apply to assured elements or by culpable violation of contractual obligations. Such claims made by the consumer as well as claims due to damages which did not occur with the deliverable item itself, are treated according to guidelines of extract VII (Allgemeine Haftungsbeschränkung – i.e. general limited liability) and are excluded as permitted within legitimate lawful boundaries.
3. Elements are only assured if they are specifically documented in the contract. Verbal indications or indications in other SUS GmbH documentations do not constitute assurances. Samples, SUS GmbH, measurements, DIN regulations, performance descriptions and other details concerning the conditions of the deliverable item serve as specifications only and are not assured elements. Should elements be assured contractually by SUS GmbH concerning the material to be used then this is to serve the purpose of meeting specifications only and not to guarantee suitability of the materials for the contractual purpose. SUS GmbH is obliged to notify only in the event of obvious unsuitability.
4. Damages which are caused by outside influence, inappropriate positioning or handling, inadequate operating or maintenance, corrosion or general wear are excluded from guarantee. The guarantee exclusion is particularly applicable to the wear of consumable parts. Consumable parts include all turning parts, all motorised parts and tools. These guarantee regulations are the basis for sale of machines used in a single shift operation.
5. The consumer is obliged to check at his own costs, the delivered goods on arrival for any defect, wrong delivery, obvious unacceptable wrong delivery or deficient quantity and immediately report this in writing to SUS GmbH. The client is to make such reports within seven days of receipt of goods. Hidden defects are to be reported to SUS GmbH immediately on discovery. Otherwise Article 377 of the German Commercial Code (HGB) shall apply to the relationship with consumers.
6. Any quality deficiency of a part delivery does not give the right to return the remaining quantity unless the consumer can prove that the receipt of the remaining quantity is unreasonable in light of the existing circumstances.
7. Should the consumer discover a fault, the delivered item is not to be modified, worked upon or given access to by any third party but should allow SUS GmbH sufficient opportunity and time to investigate the fault and if necessary carry out required action (repair or part replacement); otherwise all defect claims are void. Only in the event of danger to operational safety and/or avoidance of significant damage and by notification of such to SUS GmbH, does the consumer have the right to either resolve the defect himself, or contract a third party and request compensation from SUS GmbH. Independent of evidence of a defect, the guarantee provision is terminated if, without SUS GmbH authorisation, the consumer instigates repair personally or via a third party.
8. Transport damage is to be immediately reported to SUS GmbH. The consumer is responsible for managing the required formalities with the freight forwarder, in particular all necessary evidence for the purpose of recourse action against third parties. If commercially standard breakage, loss or similar remains within acceptable boundaries, complaints cannot be made.
9. For legitimate flaws, SUS GmbH has the choice to resolve the defect by repair or parts replacement supply. Multiple repairs are permissible.
10. In the case of defect repair SUS GmbH is obliged to bear all costs relating to the repair including transport, working time, materials as long as these are not increased due to the purchased item residing in a location other than the fulfilment location.
11. Should SUS GmbH fail to resolve the defect by repair or replacement, be unable or refuse to provide repair or supply replacement due to other reasons within appropriate timeframes according to § 439 BGB (German law book § 439), then it is the right of the consumer, under exception of all else other than the deliverable item, to withdraw from the contract or decrease the price.

VII. General Limited Liability

1. If the deliverable item, through negligence of SUS GmbH by omission or incorrect advice before or after contract completion, or through breach of other contractual obligations, (i.e. operating or maintenance manuals), cannot be used by the consumer in the manner as given contractually, then the regulations within extracts VI and VII.2 come into effect. All other claims are excluded.
2. SUS GmbH is liable for damages which occur anywhere other than on the deliverable item itself regardless of grounds only when having been caused by - gross misconduct by the owner or managers – culpable injury to life, limb or health - known defects which are wilfully and deliberately concealed or guaranteed as absent – defects on the deliverable item, as long as such liability is specified according to the product liability laws for damage to persons or goods on privately used objects. SUS GmbH is also liable for, on breach of general contractual obligations, gross misconduct of non-managerial staff and light misconduct of the same but limited to contractually typical and sensible foreseeable damage. All other claims are excluded.

VIII. Retention of Title, Securities

1. SUS GmbH retains ownership of the deliverable item until all payments as documented in the delivery contract, have been received. On breach of conduct by the consumer, in particular default of payment, as well as application for insolvency and/or entry into receivership proceedings, SUS GmbH is, after reminder is issued, entitled to reclaim the delivered item and the consumer is obliged to handover such equipment. The consumer is to inform SUS GmbH immediately in writing if the delivered item has been seized or otherwise by a third party.
2. SUS GmbH is entitled, at the consumer's expense, to insure the deliverable item against theft, fire, water and other damage should the consumer be unable to supply evidence of insurance himself.
3. The consumer is entitled to resell the delivered item, as well as goods manufactured by mixing, conjoining, linking or processing with the delivered item only within the framework of ordinary business activities. The consumer thereby assigns to SUS GmbH all claims arising from the resale of the delivered item or of items manufactured through the processing of the delivered item.
4. Of any claims arising from the sale of goods in which SUS GmbH has obtained co-ownership as a result of their being mixed, conjoined or linked to other goods, the consumer hereby assigns to us as prior claimants a partial amount corresponding to the

proportion of SUS GmbH co-ownership of the sold item. Should the consumer sell goods owned or co-owned by SUS GmbH together with other goods in which SUS GmbH hold no title as a total price, the consumer thereby assigns to SUS GmbH as prior claimants a partial amount of the overall claim corresponding to the proportional value of the reserved goods.

5. The consumer is hereby assigned the revocable right to collect on SUS GmbH behalf claims arising from resale that are assigned to SUS GmbH. On request, the consumer shall name the debtor of the assigned claim, shall notify the debtor of the assignment, or surrender to us the notice of assignment. Should the consumer have met his payment obligations, the assignment shall not be disclosed by SUS GmbH. Should the realizable value of the securities held by SUS GmbH exceed the secured claims overall by more than 20%, SUS GmbH shall be obliged to release certain securities at its discretion at the request of the consumer.

IX. Fulfilment Obligations, Impossibility and Non-Fulfilment

1. The delivery and timings obligations from SUS GmbH are made under reservation of and subject to orderly, complete and timely self-delivery.
2. If the entire service concerning the risk transfer becomes impossible due to conditions attributable to SUS GmbH then the consumer can withdraw from the contract. In case of a part impossibility then the aforementioned regulation applies to that part only. The consumer can in this case, also withdraw from the entire contract if able to demonstrate genuine a disadvantage due to a part delivery. Further claims by the consumer, in particular claims for damages, are excluded by definition of the conditions set out in part VI and VII.
3. Should impossibility occur due to acceptance delay or though a condition attributable to the consumer, then the consumer remains obligated until completion.
4. Once SUS GmbH withdraws from a contract and/or after a set period with threat of rejection, SUS GmbH is entitled to exploit withdrawn goods as it sees fit.

X. Place of Fulfilment, Legal Venue, Applicable Law

1. As long as nothing further has been agreed, the place of fulfilment for the payment and goods delivery is the business premises of SUS GmbH.
2. If the Buyer is a trader or a legal entity under public law or a special fund under public law, then SUS GmbH premises are the legal venue for all legal proceedings including changeover or cheque processes, and legal proceedings may only be instituted against us at this legal venue.
3. The law of the Federal Republic of Germany is exclusively applicable to the contractual relationship between SUS GmbH and the Buyer and explicitly excludes international private rights, common international law and United Nations purchasing laws.

XI. Legal Binding, Data Protection

1. Should one or more of the conditions of this general purchase and delivery be or become ineffective, then this does not affect the remainder of the contract. In this case Federal Republic of Germany law applies. Under no circumstances do any of the affected conditions in these general purchase and delivery conditions become replaced by the business conditions of the customer.
2. Any changes or additions to the contract can only become effective by written confirmation by SUS GmbH; this also applies to a deviation in the contractual writing requirement itself.
3. Legally relevant declarations of intent, such as cancellation, withdrawal notice, demand for price reduction or damage compensation become effective when made in writing only.
4. SUS GmbH itself, or by contracting a third party, is entitled to store, process and manage data, received or collected through association of business relationships concerning the consumer even when received via a third party, in accordance with the Federal Republic of Germany data protection laws.