



GENERAL TERMS AND CONDITIONS OF SALE

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1. GENERAL

The terms and conditions stated herein, together with any additional term, if any, arising from specific negotiation between SHUTON and Purchaser, govern all orders (ballscrew and/or other related part or accessory) and services (engineering, consulting, technical, repair or other related service) provided by SHUTON.

The terms and conditions stated herein supersede all prior communications and agreements regarding the order, customer purchase conditions that may not be included herein and customer purchase conditions that may object the conditions indicated herein. Agreement between the parties is limited to and conditioned upon acceptance of the terms and conditions stated herein, unless other conditions have been expressly approved by SUTON in writing in specific cases.

2. PRICES & TERMS OF PAYMENT

Unless special agreement expressly approved by SHUTON in writing or unless order confirmation states otherwise, price shall be EXWORKS excluding special packaging and insurance, and payment term shall be by wire transference to the designated bank account before delivery of the goods or Irrevocable & Confirmed Letter of Credit at sight in favour of SHUTON S.A. Pol. Ind. Goain C/Subinoa,5 – 01170 Legutiano (Alava) Spain, payable without offset. In the event of insufficient payment assurance, SHUTON may require advance payment, or terminate contract.

The prices do not include statutory value added tax, custom duties or other importation or exportation fees, if any. The statutory value added tax is indicated separately in the invoice at the applicable rate on the date of invoice.

In the event delivery is delayed by Purchaser, SHUTON may require payment considering goods' readiness date. Delays in delivery or nonconformities in any previously delivered goods shall not relieve purchaser from its obligation of payment of remaining orders.

3. DOCUMENTATION

Documentation such as drawings, quotations, technical documentation, brochures, catalogues and others, apart from contract and approval drawing is documentation used for information purposes only. SHUTON shall not accept any liability due to inaccuracy or omission of



information in that documentation (drawings, quotations, technical documentation, brochures, catalogues and others).

All drawings and technical documents provided by one party to the other shall remain the property of the submitting party.

4. DELIVERY

Delivery date shall be agreed by both parties in the moment of contract confirmation. Purchaser shall provide all required documents in good time.

SHUTON shall mobilize all its resources to meet delivery date agreed with customer. In the event the agreed delivery date could not be met, SHUTON shall notify purchaser, indicating the reason and if possible the delivery date when supply can be expected.

SHUTON S.A. will not be liable for any delay in the supply of part or all the goods indicated in the contract in the initially indicated delivery date, as it depends on external suppliers and as may occur unforeseen circumstances beyond its control. No contractual penalty will be accepted.

5. CHANGES & CANCELLATION

Changes requested by Purchaser affecting ordered goods shall be studied and accepted by SHUTON S.A. Effort will be done in order to adjust to Purchaser requirement. The modifications may require adjustment of pricing and delivery schedule.

In the event Purchaser would require cancelation of an order, this may be communicated to SHUTON in written notice and termination charges may be paid. These may be calculated considering production stage of the ordered product and scheduling and management costs.

6. RESERVATION OF TITLE – RISK OF LOSS

SHUTON shall retain title in the goods until all payments arising from the supply contract have been received.

Notwithstanding any agreement with respect to delivery terms or payment of transportation charges, risk of loss or damage shall pass to Purchase upon delivery.

7. WARRANTY

Goods manufactured by SHUTON, S.A. are covered by a warranty against defects in material and workmanship provided the goods are subjected to correct assembly and normal use and service. The applicable warranty period is twelve months from the date of installation or eighteen months from shipping date to Purchaser of any item of the goods, whichever occurs first.

The obligation under this warranty is limited to the repair or replacement, at SHUTON's option, of defective parts at ex-works terms provided that prompt notice of any defect is given by Purchaser to SHUTON in writing within the applicable warranty period and that upon the Purchaser's return of the defective parts to SHUTON or, if designated by SHUTON, to the location where the works are made, properly packed and with transportation charges prepaid by Purchaser, an inspection thereof shall reveal to SHUTON's satisfaction that Purchaser's



claim is valid under the terms of this warranty. Any claim for breach of this limited warranty must be made in writing and set forth in sufficient detail to permit identification of the defect.

Purchaser shall assume all responsibility and expense for dismantling, removal, re-installation and freight in connection with the foregoing. The same obligations and conditions extend to replacement parts furnished by SHUTON hereunder. If the assistance of a Technician from SHUTON is required, all charges related to lodging and trip will be undertaken by the buyer. These charges will be invoiced according to AFM price-list and in the conditions established by CECIMO.

SHUTON makes no warranty other than the one set forth herein. All other warranties, legal, expressed or implied, including but not limited to any expressed or implied warranty of merchantability, of fitness for the intended use thereof or against infringement are hereby expressly excluded.

The applicable warranty ceases to be effective if the goods are altered or repaired other than by persons authorized or approved by SHUTON to perform such work. Repairs or replacement deliveries do not interrupt or prolong the term of the warranty. The warranty ceases to be effective if Purchaser fails to operate and use the goods sold hereunder in a safe and reasonable manner and in accordance with any written instructions from the manufacturers.

8. LIMITATION OF LIABILITY

In no event shall SHUTON, its suppliers or subcontractors be liable for special, indirect, incidental or consequential damages, whether in contract, warranty, tort, negligence, strict liability or otherwise, including, but not limited to, loss of profits or revenue, loss of use of the equipment or any associated equipment, cost of capital, *cost of substitute equipment*, facilities, or services downtime costs, delays and claims of customers of the purchaser or other third parties for any damages.

If Purchase resells any of the supplied goods, the sale terms shall limit SHUTON's liability to the buyer to the same extent that SHUTON's liability to Purchaser is limited hereunder.

9. JURISTITION

Legal relations between SHUTON S.A. and Purchaser, and contract shall be governed by Spanish law. Notwithstanding the aforementioned, SHUTON S.A. may choose to take any corresponding legal action within the area of jurisdiction in which the Purchaser's registered office is located.