

STANDARD TERMS & CONDITIONS OF SALE

1. All sales are expressly conditioned on Buyer's agreement to the standard terms and conditions contained herein. No additional or different terms apply unless expressly agreed to in writing by Suhner Manufacturing Incorporated and/or Suhner Industrial Products Corporation (Seller). Seller hereby gives notice that it objects to any such different or additional terms. Acceptance of or payment for any of the goods constitute Buyer's assent to all terms and conditions contained herein.
2. All sales are made F.O.B. Rome, Georgia, and each shipment or delivery shall be considered a separate and independent transaction. Buyer has risk of loss upon delivery to F.O.B. point.
3. Shipping dates given in advance of actual shipment are estimated and deliveries will be made subject to prior orders on file with Seller. Seller shall not be liable for failure to perform or delay in performance hereunder resulting from fire, labor difficulties, transportation difficulties, delays in usual sources of supply, major changes in economic conditions, commercial impracticability or without limitation by the foregoing, cause beyond Seller's control. Should Buyer postpone delivery, Seller, at its option, may ship to a bonded warehouse. The Buyer is liable for the costs of shipping and storage. Moreover, the terms and conditions hereof are in effect once the goods leave Seller's facility.
4. The Seller warrants its products after delivery for periods as follows:
 - Six months on Flexible Shaft Machines, pneumatic tools and electric tools.
 - Twelve months for self feed drilling spindles and low cost automation automatic drilling machines (6 months in case of a Buyer with a two shift operation).The warranty starts at the date of shipment from our factory in Rome, Georgia. The Seller will repair or replace, at its discretion, parts of equipment under this warranty that are defective due to material or workmanship.
Buyer must advise Seller in writing of any warranty claims immediately upon discovery of any defects.
Travel expenses and transportation expenses of parts and equipment are not covered under this warranty and shall be born by the Buyer.
This warranty does not cover any damage resulting from regular wear and tear, faulty and/or lack of maintenance, incorrect or excessive use, application in hazardous or unfavorable environment or any other causes beyond the Seller's control.
The entire warranty is voided immediately if equipment or parts are modified by anyone other than Seller.
The warranty expressed in paragraph 4 is exclusive and in lieu of all other warranties express or implied including any warranties of MERCHANTABILITY and FITNESS FOR PURPOSE.
5. If in Seller's judgment, the financial condition of the Buyer at the time products are ready for shipment does not justify the terms of payment specified, Seller reserves the right to require full payment before shipment or delivery.
6. As Seller does not control the method of operating the equipment in Buyer's plant, Seller will not be responsible and shall not be held accountable for Buyers Infringement of patents held by third parties should they occur.
7. This contract may be cancelled by the Buyer only if agreed to by Seller and upon payment of reasonable charges based upon expenses already incurred and commitments made by Seller.
8. Seller shall not be liable for special, indirect, incidental or consequential damages. The remedies of Buyer set forth herein are exclusive and the liability of Seller with respect to any contract or sale of anything done in connection therewith, whether in contract, tort, (including Seller's negligence), under any warranty or otherwise, shall not exceed the purchase price of the product or part on which such liability is based.
9. The prices shown do not include any sales, use or other taxes or charges payable to Federal, state or local authorities. Any such taxes or charges now or hereafter imposed with respect to sales or shipments hereunder will be added to such prices and the Buyer agrees to reimburse Seller for any such taxes or charges.
10. Cash discount for prompt payment of products which bear cash discount will be allowed when paid within 10 days from date of invoice. Net payment due within 30 days from date of invoice.
11. No sales representative of Seller has authority to alter, vary, or waive any of the foregoing standard conditions.
12. Buyer agrees In consideration of Seller's execution of this contract that any claim of any kind by Buyer based on or arising out of this contract or otherwise shall be barred unless asserted by Buyer by the commencement of legal action within 12 months after the delivery of the products or other event, action or inaction to which such claim relates. This provision shall survive any termination of this contract, however arising.
13. Buyer shall pay interest to Seller on overdue invoices at the rate of 1 1/2% per month on the unpaid portion.
14. Should Seller employ professional collection agents and/or attorneys at law to effect payment of monies due on this contract, all costs incident to said collection, including court costs, reasonable attorney's fees of 15%, etc. will be borne by Buyer.
15. This instrument constitutes the entire and only agreement between the parties hereto, and any representation, affirmation of fact, in course of prior dealing, promise or condition in connection therewith or usage of the trade not Incorporated herein shall not be binding on either party. No waiver, alteration, or modification of any of the provisions hereof shall be binding unless in writing and signed by a specifically authorized representative of Seller.

The following relates only to Flexible Shaft Product sales:

A. Warranty

The Seller warrants only that the material furnished by it will conform to the drawings and specifications furnished by the Buyer. To the extent that materials furnished hereunder are to the Buyer's specifications and then used or embodied by the Buyer with other materials not furnished hereunder, the Buyer agrees to indemnify and save harmless the Seller from all claims resulting from the use or Incorporation of said materials in the Buyer's product.

The Seller's liability is limited to the replacement or repair, F.O.B. Rome Georgia of material which fails to conform to the Buyer's drawings and specifications or the acceptance of their return for full credit. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDG ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE MATERIAL FOR ANY PARTICULAR PURPOSE EVEN IF THAT PURPOSE IS KNOWN TO SELLER.

B. Returns

Failure to give Seller notice of any claim within 30 days of delivery of the materials concerned shall constitute a waiver of such claim by the Buyer. Any request for return for replacement, repair, or credit must be made in writing to the Seller at Rome, Georgia within this time period.

No returns will be allowed unless prior written authorization has been given by the Seller from Rome, Georgia.

All unauthorized returns will be shipped back to the sender by collect freight with no action taken.

Authorized returns must be carefully identified and tagged with quantity and reason for return.

All flexible shaft material supplied on reels must be examined by Buyer on receipt for defects. Any material found to be not conforming to our Buyer's specifications must be reported to the Seller in the manner and time period as noted above.

C. Variations

Unless otherwise specified in writing, the following variations shall constitute satisfactory compliance with the order and unit prices will apply.

Lots of 10 - 24 units = 1 Unit

Lots of 25 - 99 units = 2 units

Lots of 100 units or more = 4%

In those instances where Buyer specifies "Do not overship", or "Do not undership" any variation in the quantity shipped not exceeding the total range of variation from the order quantity as stated above shall constitute compliance with the order and the unit price will continue to apply.

When the material ordered is quoted as random mill lengths on reels, a variation of 10 percent shall constitute satisfactory compliance with the order and the per foot unit price will apply.