

## SPD's GENERAL TERMS AND CONDITIONS

1. **PRICE AND PAYMENT**
- 1.1 In addition to the agreed price, the Purchaser shall also pay any value-added tax and statutory environmental charges applicable on the date of supply.
- 1.2 The Seller reserves the right to enforce price increases of the current contracts when the price of the raw materials shall increase more than 3 (three) percent.
- 1.3 Full payment in ready money shall be made no later than the time of delivery of the goods.
- 1.4 If the Purchaser fails to pay on time, late payment interest shall be payable according to the Swedish Interest Act.
- 1.5 If the Purchaser fails to take payments in the agreed time and manner or its business shall be operated beyond the ordinary course of business which shall include, without limitation, when seizure or protest has been made, payments shall be delayed or insolvency proceedings shall have been petitioned or opened, the Seller shall have the right to suspend or cancel, at its sole discretion, further deliveries and to declare all its claims arising from the business relationship as immediately payable. Moreover the Seller may in such event request for anticipations on the payments or a warranty deposit.
- 1.6 The Purchaser shall have no right to make any compensation, retention or reduction unless the counterclaims have been conclusively determined by the court.
2. **LEGISLATIONAL REQUIREMENTS**
- 2.1 Unless otherwise agreed, goods, both new and used, shall meet the requirements to which they are subject at the time of delivery under applicable Swedish legislation, statutes, regulations, directives, etc and under the regulations and directives referred to in the contractual documents. The goods shall be inspected in accordance with the applicable regulations.
- 2.2 Should any such regulation be amended after the agreement has been entered into or otherwise come into force, but before the goods have been delivered, the Seller or the Purchaser as appropriate shall inform the other party without delay. If the cost of the goods is affected by such amended provision, which the Seller could not reasonably have foreseen, the price shall be renegotiated.
3. **PRODUCT INFORMATION**
- 3.1 If the agreement between the parties refers explicitly to catalogues, circulars, advertisements, pictorial material or price lists, the goods shall comply with these. Such information shall otherwise be regarded as approximate.
- 3.2 The Seller shall provide the Purchaser with technical data concerning weight, dimensions and capacity, together with operating, safety and maintenance instructions. With new machinery, the Seller shall in addition to the already mentioned information also furnish the Purchaser with an environmental product declaration and, where applicable, a catalogue of spare parts.
- 3.3 The Seller shall supply, packed with the product (only for the branded CE products) at its own care and expense, the User and Maintenance Manual in electronic format on CD-ROM. For the finished products destined to the final user, a paper copy shall be delivered. Inside the User and Maintenance Manual there is also a Warranty and CE Conformity Certificate.
4. **DESIGN CHANGES**
- 4.1 The Seller shall be entitled, before delivery and without prior notice to the Purchaser, to make such detailed changes to the design intended to improve the goods as he may feel are called for. Such a change shall not entail any change in the price.
- 4.2 If the Seller realizes or should have realized that any such change entails a substantial inconvenience to the Purchaser, he shall inform the Purchaser thereof. If the Purchaser shows that the change entails a substantial inconvenience to him, he shall be entitled to cancel the agreement. In the event of cancellation
- by virtue of this clause, no other remedy may be claimed against the other party.
- 4.3 The Purchaser shall not be entitled subsequently to the date of agreement to have specification and design changes by the vendor incorporated in the goods.
5. **DELIVERY**
- 5.1 The goods are sold ex-works as defined in Incoterms 2000.
- 5.2 The agreed date of delivery is approximate and not binding. For this reason it is established, in favor of the Seller, a tolerance for the delivery of 90 (ninety) days during which the Seller shall not pay any penalties or indemnity for damages.
- 5.3 The Seller shall send a copy of the delivery note per e-mail or per fax, stating the date of the ready goods. The cost and the organization of the transport shall be at the expense of the Purchaser unless otherwise agreed.
- 5.4 The Seller reserves the right to reasonably deliver in installments.
- 5.5 The Seller does not accept the products in return, unless otherwise agreed in writing. Any costs arising thereof shall be at the expense of the Purchaser.
6. **RIGHT OF INSPECTION**
- 6.1 The Seller gives the Purchaser, upon notice, the possibility to inspect the company and the goods in production.
7. **PACKING**
- 7.1 The Seller packages, unless otherwise agreed in writing, all its products with thermo retroactive nylon and the smallest products on pallet.
- 7.2 The costs of the packing are at the expense of the Purchaser.
8. **DUTY TO INSPECTION AND ACCEPTANCE OF PRODUCTS**
- 8.1 Upon taking possession of the products, the Purchaser shall immediately check quantities, integrity of the packing and conformity of the products and inform the Sales Department of the Seller about any anomalies within 24 hours. If the notification of defects of the packaging shall come out of the terms above, they shall not be considered.
- 8.2 In case of a notice of defects of the products, the Purchaser shall comply with the following procedures and deadline: a) the notification shall be made no later than eight working days from the taking possession of the products by the Purchaser. In the event of an objection to a defect which, despite a first inspection has remained undiscovered, the objection must be raised no later than eight (8) days from the day on which the defect has been discovered b) the detailed notification of the defects shall be sent to the Seller within the above mentioned terms per e-mail or per fax. Notifications made by telephone are not accepted c) the notice must clearly specify the kind of the alleged defects and when possible enclose some photos;
- 8.3 The Purchaser, when the Seller should require, agrees to make available for inspection the objected products; such inspection shall be done by the Seller or by any expert designated by the Seller.
- 8.4 Any product to which objection shall not have been raised in accordance with the procedures and deadlines set out above shall be regarded as approved and accepted by the Purchaser.
9. **DELAY**
- 9.1 Should either party consider that he will be delayed in delivering or receiving the goods, he shall inform the other party without delay. He must also, at the same time, state the date on which he estimates that delivery or reception may take place.

9.2	If a delay should occur due to any circumstance specified in Section 2 or due to any action or omission on the part of the Purchaser, the delivery time shall be extended by a reasonable period.	located whenever the Seller so requests. Repairs may only be carried out at a workshop approved by the Seller.
9.3	A party shall be entitled to an extension of the delivery time if fulfillment of the purchase is prevented by circumstances outside the party's control such as industrial dispute, war, act of the civil power, extensive operational disturbances suffered by the party or sub-contractor or any other circumstance not brought about by the party that materially affect performance of the agreement and that the party could not foresee or whose consequences he could not reasonably avoid.	10.4 The Purchaser shall inform the Seller of all changes of address or domicile.
9.4	To be entitled to extension of the delivery time, a party is required to inform the other party without delay that a circumstance giving rise to relief from liability has arisen.	<b>11. WARRANTY</b>
9.5	If the purchase cannot be fulfilled within a reasonable time, due to circumstances provided for by Section 9.3, either party shall be entitled to cancel the agreement to the extent by which its performance has been prevented. In the event of cancellation as provided for by the previous section, no other remedy may be claimed against the other party.	11.1 The Seller guarantees the goods meet the technical specifications stated on the order confirmation.
9.6	<b>Delay cause by the Seller</b>  If the Seller does not deliver the goods on time or within the extended time as agreed up on and this is not due to reasons specified in Section 9.3 the Purchaser shall be entitled to a conditional fine unless the Seller indemnifies the Purchaser by placing other equivalent goods, for example a hire or trade-in machine, at his disposal.  The conditional fine shall not, however, be payable if the Seller can show that he informed the Purchaser of the delay and that the latter accepted it without demur.  The conditional fine shall be calculated per week or part thereof as follows: for the second week to a total of 1.0 percent, the third week to a total of 2.5 percent, the fourth week to a total of 4.5 percent and the fifth week to a total of 7.5 percent. The total penalties shall thus be limited to a maximum of 7.5 percent of the contractual purchase price. The Purchaser forfeits his right to the conditional fine unless he presents a written demand therefore within six months of the time of delivery.	11.2 The warranty is valid for 12 (twelve) months from date of delivery (and, in any case, no longer than 15 (fifteen) months from the date of delivery) and only if the Purchaser can supply the Seller with documents that prove the date of delivery.
9.7	<b>Delay caused by the Purchaser</b>  If the Purchaser fails in receiving the goods on the agreed date, and this is not due to any such circumstance as mentioned in Section 9.3 he shall be liable to make every payment resulting from delivery as though the goods concerned had been delivered. The Seller shall, on behalf of the Purchaser and at his expense, take reasonable measures to safeguard the goods. This undertaking also includes a duty upon the Seller to keep the goods insured at the Purchaser's expense. If, despite a written demand from the Seller, the Purchaser fails to receive the goods within the agreed period, the Seller may terminate the Agreement by giving the Purchaser notice in writing. If the Agreement is terminated the Seller shall receive a conditional fine of 7.5 percent of the purchase price attributable to the part of the goods not from the Purchaser.	11.3 The warranty covers the repair or replacement of malfunctioning parts, at the discretion of the Seller. Labor expenses shall be paid for by the Purchaser and, in cases where repair or replacement is performed outside the Seller's premises or designated technical service centres, travel costs and daily expenses of personnel assigned to carrying out the this work will also be met by the Purchaser in accordance with rates that are in force at the time of the intervention.
10.	<b>REPOSSESSION RESERVATIONS ETC.</b>	11.4 Under no circumstances with regards to the above will the Purchaser be entitled to terminate the contract or to obtain price reductions and any responsibility deriving from direct or indirect damage or requests for compensation due to a standstill or shipping expenses are explicitly declined.
10.1	If it may be assumed that the purchaser will not duly satisfy his obligations under the agreement, or if the Seller terminates the contract, the Seller shall be entitled to repossess such goods that still can be legally repossessed. Before the goods are paid in full the purchaser has no right, save with the written permission from the Seller, to dispose over them in such a way that the Seller's right of repossession is imperiled. Should distraint, sequestration or other custodial measures over the goods come into question, the purchaser shall present this agreement to the bailiff and inform the Seller immediately.	11.5 Goods or malfunctioning parts must be sent, carriage paid, to the Seller's head office for repair. Any malfunctioning part that is not sent to the Seller and which is replaced by the Purchaser must be at the Seller's disposal within 90 (ninety) days, during which time the Seller may ask the Purchaser to send the part in for additional checks.
10.2	The purchaser shall be under a duty to care for and use the goods in such a way that the Seller's rights are not imperiled. This shall include keeping the goods insured to the extent and on the terms approved by the Seller. Should the Purchaser neglect to do so, the Seller shall be entitled to take out insurance at the purchaser's expense. The right to the sum insured or to any other indemnification that may be payable due to losses shall be assigned to the Seller if there is any likelihood of his rights being endangered. In such event the Seller shall be entitled to offset that part of the indemnification that corresponds to the Purchaser's remaining debt under the agreement. The Purchaser shall inform the Seller without delay of any loss or damage that substantially reduces the value of the goods.	11.6 Warranty will not be granted in the following cases:  - If the parts for which warranty has been requested have not been used properly. - If any kind of modification has been implemented without the Seller's prior written consent. - If the product has been used for purposes that it was not designed for or in non-compliance with instructions supplied by the Seller. - If a machine's serial number is missing or incomplete. - Inexperience. - Lack of or insufficient maintenance. - Delayed report of the detected defects. - Different use from the established one. - Use of non original spare parts and/or lack of respect of the instructions given in the User and Maintenance Manual. - If the product is used in temperatures of less than -20° Celsius or more than +68° Celsius.
10.3	The goods shall be placed at the disposal of the Seller for inspection or trial operation at the place where the goods are	11.7 The warranty does not cover parts that are normally subject to wear and tear (ex: teeth, teeth's adapters containers, blades, bottom blades rings, plastic parts and all parts that, while in use, come into contact with the material that is to be demolished/moved).
		11.8 All claims must be submitted in writing to the Seller by supplying a detailed description of the fault or of the malfunctioning part and the serial number of the Seller's equipment, no later than 8 (eight) days after the fault or malfunctioning has been discovered. The Seller's Service Department will then decide whether to have its engineers complete the work of repair or to authorize the Purchaser to do so in accordance with instructions given by the Seller.
		11.9 The Seller recognizes only material and labor related to the repair requested and specified in the intervention confirmation issued by the Seller's Service Department. The Purchaser must also provide The Seller with photographic documentation of the repair intervention that was performed.
		11.10 Clearly defective parts must be returned to the Seller, at the Purchaser's expense together with a delivery note, for repair, where it must be specified the problem occurred to the part by written authorization. The part will be at the Purchaser's disposal, repaired or replaced in the shortest possible time. Shipment and transport costs are always at the expense of the Purchaser.
		11.11 If the Purchaser should require the assistance of the Seller to carry out repairs or adjustments on the machine when it is still under warranty and successively it should be found out that the failures were not imputable to the Seller and therefore not subject to warranty obligation, all the expenses met by the Seller, the cost of the replaced parts and labor cost will be charged to

the Purchaser. Any assistance and repair operations on the goods are always carried out at the Seller's premises.

- 11.12 In case of machine standstill due to the presence of faults, even if these are acknowledged to be under warranty, the Seller has the right to keep the machine out of operation for a reasonable time (which will be always justified) in order to carry out the necessary repairs and to eliminate the reported faults. No compensation for the damage deriving from the machine standstill and no extension of the warranty period will be granted. The Seller will neither grant any payment delay, nor accept any request for the cancellation of current obligation.
- 11.13 In case of failures of a component during the warranty period it is necessary to proceed as follows: a) communicate promptly to the Seller the type of damaged component b) the Seller shall put, at the Purchaser's disposal, a new component on sale (transport it at the Purchaser's expense) c) the Purchaser shall send the damaged component back, with a delivery note for repair, where it must be specified the problem occurred to the part and by written authorization, within max ten (10) days from the receiving of the new piece. If the damaged component shall not arrive to the Seller within this term this will not be covered by warranty d) as soon as the Seller receives the damaged component shall analyze it or let it be analyzed by its supplier. Then a report about the analyze of the failure shall be sent to the Purchaser.
- 11.14 If the failure will be recognized under the warranty the Purchaser will be refund as follows: The Seller will authorize the Purchaser to issue an invoice for the same amount of the new supplied part. The malfunctioning part will be owned by the Seller.
- 11.15 If the failure cannot be recognized under the warranty the Purchaser will have to inform the Seller about how to proceed, choosing among the following possibilities: 1. to ask for the return of the non repaired part; 2. to ask for the repair of the part paying the relevant costs; 3. authorize the Seller to scrap the part.

## 12. THE SELLER'S LIABILITIES

- 12.1 The machines and the appurtenances are only to be used in the way instructed by the Seller. The Seller is not liable for any damages caused by misuse of the machines or any of the appurtenances.
- 12.2 Unless in cases of justified objection which shall have been raised in accordance with the procedure and deadlines set forth in Section 11 above, the Purchaser shall not be entitled to any further rights or remedies. In particular the Seller shall not be responsible for any direct or indirect damage or loss of profit due to the use, the inability to use, or the incorporation of the products, unless under warranties granted in Section 11 or in cases of willful misconduct or gross negligence on the Seller's part.
- 12.3 Catalogues or other advertising matters of the seller are only an indication of the type of products and the information contained herein shall not be binding for the Seller. The Seller does not accept any responsibility for errors or omissions contained in its catalogues or promotional matters.
- 12.4 The Seller is not liable for any indirect damages or third party losses or injuries. The Seller's liability is under all circumstances limited to a maximum amount corresponding to the Purchases price. Moreover the Seller is not in any case liable for any damages or injuries on physical persons unless in cases of willful misconduct or gross negligence on the Seller's part.
- 12.5 Catalogues or other advertising matters of the seller are only an indication of the type of products and the information contained herein shall not be binding for the Seller if not the parties have explicitly agreed otherwise. The Seller does not accept any responsibility for errors or omissions contained in its catalogues or promotional matters.

## 13. TERMINATION

- 13.1 If it may be assumed that the Purchaser will not duly satisfy his obligations under the Agreement the Seller may terminate the Agreement. The Seller shall then be entitled to repossess the goods.
- 13.2 The right to the sum insured or to any other indemnification that may be payable due to losses shall be assigned to the Seller if there is any likelihood of his rights being endangered. In such event, the Seller shall be entitled to offset the part of the indemnification that corresponds to the Purchaser's remaining debt under the agreement.

## 14. DISPUTES

This Agreement shall be governed by, and construed in accordance with, the laws of Sweden. The parties irrevocably submit to the jurisdiction of the city court of Stockholm, Sweden, and its courts of appeal in relation to any matter arising under this Agreement.