



1. FORMATION OF CONTRACT; ACCEPTANCE OF ORDER

These standard terms and conditions of sale (“Terms and Conditions of Sale”) together with the sales covenants, the general specifications, the technical specifications, and any addendum thereto, including any acknowledgment by Seller, comprise the “Proposal” or “Quotation” (collectively the “Quotation”), which upon acceptance by Buyer become the “Contract”. Buyer may accept the Quotation through (i) delivering a purchase order that incorporates the Quotation by reference and payment of the initial deposit or (ii) other written indication by Buyer of its acceptance of the Quotation along with payment of the initial deposit or (iii) other written indication by Buyer of its acceptance of the Quotation and agreement by both parties on a payment plan that does not require an initial deposit or (iv) receipt by Buyer of Seller’s acknowledgement without formal notice of rejection within five (5) days of receipt by Buyer. The effective date of the Contract shall be the date that Seller communicates to Buyer via Seller’s acknowledgement, in writing. Seller’s obligations under a Quotation or the Contract shall not commence until the effective date.

The scope of work for the Contract is limited to the equipment, machinery, goods, engineering services (if applicable) and/or related commissioning services (if applicable) specifically set forth in the Contract (“Equipment”). The scope of work does not include installation or any onsite services unless specifically identified as being included in the price in the Contract.

Seller expressly does not accept any other terms or conditions, including without limitation, any Buyer standard terms and conditions received accompanying any purchase order, order acknowledgement, counter-offer or otherwise, unless specifically accepted in writing by Seller. Any acceptance by Seller is limited to these Terms and Conditions of Sale, and these Terms and Conditions of Sale shall control any Contract between Seller and Buyer. Any terms and conditions contained in any purchase order, correspondence or accompanying payment for delivery of the Equipment specified herein, which are different from or in addition to the terms of the Contract shall not be binding on Seller, whether or not they would materially alter the Contract, and Seller hereby objects thereto. Buyer has accepted the Quotation (including these Terms and Conditions of Sale) if Buyer gives oral, written or electronic acknowledgement of, or provides a purchase order in response to the Quotation. Any Quotation made by Seller either directly or by a sales representative of Seller shall expire in thirty (30) days, and after such time will no longer be valid unless renewed in writing by Seller.

2. CONFIDENTIALITY

All information, including quotations, specifications, drawings, prints, schematics, and any other engineering, technical or pricing data or information submitted by Seller to Buyer in a Quotation or the Contract are the confidential and proprietary information of Seller; and Buyer and its employees, agents or other parties for whom Buyer is responsible may not disclose Seller’s confidential and proprietary information to any third party, or use Seller’s confidential and proprietary information for its own account or that of any third party, except in the performance of the Contract. No transfer of ownership of any information provided by Seller to Buyer shall take place pursuant to fulfillment of the Contract.

3. DRAWINGS AND DESIGNS; PERMISSIVE VARIATIONS

Selection, application and design of machines, roller dies, tooling, accessories, options and auxiliary equipment shall be based upon information furnished by Buyer. Buyer shall make available to Seller in a timely manner all information reasonably necessary for Seller to complete the work specified in the Contract, including drawings, diagrams, specifications of all electrical, mechanical and structural interfaces, and shall promptly answer in writing all inquiries for information that Seller deems necessary from time to time to perform Seller’s obligations under the Contract. Buyer understands that Seller is relying upon this information.



All drawings submitted by Seller, if any, with the Contract are submitted only to indicate the general style and outline, suggested arrangement, and approximate overall dimensions of the Equipment quoted. Except as otherwise provided in the Contract for the approval of Buyer, no detailed shop or engineering drawings of any part of the Equipment will be furnished to Buyer. Notwithstanding the foregoing, Seller shall provide manuals, starter guides or other information for the safe operation and maintenance of the Equipment sold to Buyer under the Contract.

If the Equipment is to be procured, designed and/or manufactured in accordance with Buyer's specifications, Buyer represents that the drawings, prints and parts, if any, submitted in connection with its order reflect Buyer's latest revisions of such specifications. Any subsequent modification to Buyer's specifications may result in a change to the Contract and Seller reserves its rights set forth in Section 5 below. With respect to tolerance, capacity, accuracy, production rates and the like, the terms of this Quotation shall supersede Buyer's specifications.

Unless otherwise agreed to by Buyer and Seller in the Contract, the Equipment shall be manufactured in accordance with Seller's standard practices as they exist from time to time. Equipment and machinery ordered herein are of the stated capacity and range, designed and built for operation with good commercial accuracy.

No governmental or other specification other than the Seller's shall be incorporated by reference herein unless a copy of said specification is agreed by Seller and attached to the Contract. Any deviation in usage from the conditions as provided or as set forth in the Contract shall be at Buyer's risk.

4. PRICE; PAYMENT TERMS

All payment terms are subject to Seller's credit approval at the time of acknowledgment and again, prior to shipment of the Equipment. Payments are due upon Buyer's receipt of an invoice from Seller or in the event that the payment terms are set forth in the Contract, as of the specific date listed on the applicable payment schedule in the Contract.

If Buyer requests that the Equipment availability date and/or scheduled date for shipment be extended or otherwise changed, such request shall be considered to be a Buyer-proposed Contract change and shall be addressed as set forth in Section 5. **Change Orders**. Once the Equipment is near completion and/or is ready for preparation for Demonstration and shipment and/or Demonstration is delayed by any act or omission of Buyer beyond the scheduled date, Buyer shall pay any amounts that are due under the Contract upon notification to Buyer that the Equipment is ready for, and/or prior to, shipment, or any similarly worded language, within fourteen (14) days after the originally scheduled delivery date regardless of whether delivery has occurred. If the scheduled Equipment 'start-up and commissioning' or any other on-site services, if included in the scope of work to be provided to Buyer by Seller, is delayed by any act or omission of Buyer beyond the scheduled date then final payment of all amounts due from Buyer as set forth in the Contract shall be due thirty (30) days after the originally scheduled shipment date.

Time is of the essence with respect to all payments. Payments that are outstanding more than ten (10) days from their respective due date shall bear an interest rate of one and one-half percent (1 ½%) per month (eighteen percent (18%) annually) until fully paid, including any interest accruing thereon. If the rate of interest stated in the preceding sentence exceeds the maximum rate of interest that the applicable state law allows, then the rate of interest that will be accrued shall be at the applicable state maximum. In the event Buyer does not pay within the terms of the Contract, all collection costs incurred by Seller, including attorneys' fees will be paid by Buyer.

Payment for the sale of Equipment furnished under the Contract shall not be subject to offset, deduction or back charges by Buyer. Any sums that have been deducted by Buyer in violation of this paragraph shall be



considered overdue and are subject to the above interest charge and collection costs.

The price set forth in the Contract and all payments due to Seller from Buyer shall be in the lawful currency of the United States of America unless otherwise set forth in the Contract.

Unless otherwise set forth in the Contract the terms of payment for international transactions shall be as follows: A deposit in an amount specified by Seller shall be paid via wire-transfer upon placement of order (“Initial Deposit”) and the balance of the total purchase price shall be paid upon Seller’s notification to Buyer that the Equipment is being readied for international shipment. If a letter of credit is to be used to cover any payments, Buyer shall open, in favor of Seller, an irrevocable, documentary Letter of Credit in the amount equal to those payments in the specific form and format described in Seller’s letter of credit instructions incorporated into the Contract by attachment or reference. The minimum requirements for any such letter of credit are that it must be payable “at sight” at the counters of Seller’s bank in the USA, it must allow for confirmation by Seller’s bank, it must allow partial shipments and partial draws from any point of origin, it must allow trans-shipment and it must specify that bank charges in addition to those charges by Seller’s bank shall be payable by the Buyer. If the letter of credit is advised or in any way processed by additional banks other than Buyer’s original issuing bank and Seller’s specified advising bank, Buyer shall be responsible for any fees charged by such additional banks. In the event that Buyer elects to use an issuing bank with which Seller’s bank does not have a corresponding relationship, Seller reserves the right to require payment by wire-transfer in lieu of acceptance of a letter of credit. The letter of credit shall specify the latest date of shipment for the Equipment to be at least sixty (60) days after the estimated delivery time indicated in the Contract and shall remain valid for at least sixty (60) days beyond the latest date of shipment. The letter of credit shall not require any documentation for collection other than those specified and agreed upon by the Seller. The Buyer agrees to have its issuing bank forward a draft version of the letter of credit to Seller for its review and approve prior to issuance of the final version.

5. CHANGE ORDERS

Changes to the design, specifications, scope of supply, delivery schedule, Equipment demonstration site or date, shipping instructions of the Equipment or any material term of the Contract, may only be made upon execution by Buyer and Seller in writing (collectively, “Change Order”). Such Change Order shall state the parties’ agreement on (i) change in the specifications, designs, scope of work, delivery schedule or shipping instructions for the Equipment, (ii) an adjustment to the purchase price, and (iii) an adjustment in the date of shipment of the Equipment and/or the period of performance. Both parties agree and acknowledge that unless a Change Order is agreed upon in writing by both parties, the Contract shall not be modified in any manner. In addition, Seller has the right to suspend performance of its obligations hereunder without liability during the period while the change is being evaluated and negotiated.

In the event Buyer has communicated proposed changes to Seller, Seller, at its sole discretion, shall either (a) accept the Change Order; (b) reject the Change Order and continue performance under the existing Contract; or (c) cancel the Contract. In the event that Seller elects (b) above Buyer shall either (i) agree to continue performance (of Seller) pursuant to the Contract or (ii) cancel the Contract. In the event of (b)(ii), Buyer shall pay Seller for all amounts then due and owing under the Contract plus thirty percent (30%) of the incurred costs.

6. DEFAULT; CANCELLATION/REMEDIES

If Buyer fails to perform any of its obligations hereunder, including without limitation, failure to make payments as provided in Section 4 or otherwise, or if Buyer fails to promptly give reasonable assurances of future performance when requested by Seller, then Seller may, upon five (5) days’ written notice to Buyer, declare Buyer to be in default and Seller may suspend performance of its obligations hereunder without liability and retain all rights and remedies Seller may possess at law, in equity and/or as provided in these Terms and Conditions of Sale.



In addition to the remedies noted in Section 5 above, to the extent that (i) Seller declares a default under this Section 6 or (ii) if an order, or portion thereof, for Equipment that Seller considers to be standard Equipment is cancelled for any reason, other than (a) default by Seller or (b) Force Majeure, Buyer will make payment to Seller in an amount which shall equal all incurred costs (direct material, labor, burden, and application engineering) on the completed work plus thirty percent (30%) of the incurred costs net of any payments previously made by Buyer to Seller under the Contract. If an order, or portion thereof, for Equipment considered by Seller to be non-standard Equipment, i.e. built to Buyer specifications or otherwise customized, is cancelled for any reason, other than (a) default by Seller or (b) Force Majeure, then Seller reserves the right to charge Buyer up to 100% of the price of the cancelled non-standard Equipment.

7. TAXES, PERMITS, FEES, LAWS

Unless expressly stated in Seller's invoice, Quotation or the Contract, the purchase price for the Equipment furnished hereunder excludes all governmental or brokerage taxes, duties, fees, charges or assessments. Seller may elect to add any such taxes, duties, fees, charges or assessments to the invoice amount payable to Seller by Buyer. Buyer must provide to Seller in advance of the shipment of the Equipment documentation in a form and substance acceptable to Seller of any exemptions claimed from taxes, duties, permits, fees, charges or assessments. Except to the extent expressly assumed by Seller, Buyer shall secure and pay for all permits and fees necessary for the delivery and installation of the Equipment.

It is Buyer's duty to ascertain that the Equipment proposed by Seller and its subsequent installation and use is in accordance with applicable local laws, statutes, ordinances and building codes ("laws"). Seller shall not be responsible for compliance of the Equipment to such laws, but shall to the extent reasonably possible, promptly notify Buyer of any discrepancies that come to Seller's attention.

8. SELLER'S PERFORMANCE DATES; DELIVERY TERMS; TITLE; RISK OF LOSS; PURCHASE MONEY SECURITY INTEREST

The scheduled dates for demonstration, testing, shipment and/or commissioning of the Equipment are estimates based on production loading at the time of Contract and may be set forth as a range of weeks after receipt of order, initial deposit and timely supply by Buyer of necessary information, acceptable to Seller required for the manufacturer of the Equipment. Although Seller shall use all commercially reasonable efforts to have the Equipment offered in the Contract available within the time estimated, the times are not intended to be exact dates but rather reasonable estimates for the time anticipated by Seller to prepare the Equipment for factory inspection (if applicable) and to be prepared for shipment.

In order to initiate and to correctly complete the manufacture of the Equipment in a timely fashion, it may be necessary for Buyer to provide and/or confirm to Seller certain information. This information might include, but not be limited to, the floor space allocation for the Equipment, layout and location of existing equipment, building support columns and/or any other obstructions, Equipment layout, line direction, location of equipment controls, power and/or air drop locations, 'pass line' height, and/or electrical/voltage requirements. If Seller requires such information, Seller shall submit a request to Buyer, typically referred to as a 'Layout', 'Line' or 'Approval' drawing or similar form as soon as reasonably possible after the effective date of the Contract. Upon receipt of Buyer's approval and/or provision of the required information, Seller shall proceed with the manufacturing process. If the drawings submitted by Seller to Buyer require changes, Buyer shall submit such request for changes to Seller within seven (7) days of Buyer's receipt of Seller's original drawing(s) and/or request for information. Seller shall respond promptly and re-submit revised drawing(s) to Buyer for approval. Buyer shall then provide its approval within seven (7) days of receipt of the revised drawing(s). The estimated scheduled dates to have the Equipment available is contingent upon Buyer responding to Seller's request for information, including any Buyer-requested changes to the information provided for Buyer's approval within the times set forth herein.



Delays in receipt of Buyer's approval or request for changes may result in additional time being required for the Equipment to be available at Seller's discretion without liability. The dates for completion of roll tooling and product profile designs (if applicable) are subject to revision based upon the results of preliminary design review and testing. Upon notification to Buyer from Seller that Equipment is ready for shipment, Buyer must promptly meet all of its obligations hereunder, including but not limited to making any required payments, shipping arrangements, site and installation preparations and requirements and/or all other obligations noted in the Contract and acknowledgment.

The term of delivery for all Equipment covered by the Contract shall be "EXW (Ex Works) Seller's or manufacturer's factory" (Incoterms 2010), ("Delivery"), with freight routing at the discretion of the Buyer unless otherwise agreed between the parties and confirmed in writing. The term "Deliver", "Delivery" and/or "Delivered" shall refer to the transfer of Equipment to the Buyer as described in the Delivery term. Partial shipments shall be allowed however Buyer understands and agrees that the Contract price is based upon Seller shipping all Equipment when it is completed by Seller. If multiple or partial shipments are required by Buyer, Buyer must notify Seller in advance of such requirement. If multiple or partial shipments are requested or are necessary because of acts or omissions on the part of Buyer, then Seller reserves the right to adjust the price to reflect any additional costs that Seller may incur as a result of such multiple or partial shipments.

Title and risk of loss to the Equipment for all purposes shall pass to Buyer upon the earlier of (i) acceptance of the Equipment by Buyer in Seller's factory as set forth in Section 13 or (ii) Delivery as defined above.

9. DELAYS, FORCE MAJEURE; SUSPENSIONS

If Seller is delayed at any time by the acts or omissions of Buyer, Buyer's agents, subcontractors or material suppliers, Change Orders, or by any Force Majeure defined below then the period of performance shall automatically be extended to accommodate Seller's revised engineering and production schedules, material purchases and/or labor remobilization.

"Force Majeure" means circumstances beyond the respective party's reasonable control, including without limitation, acts of God, acts of public enemies, wars, other hostilities, blockades, insurrections, riots, epidemics, quarantine restrictions, floods, unavailability of components or supplies, lightning, fire, storms, earthquakes, severe weather, blizzard, washouts, arrests, restraints of rulers and people, civil disturbances, acts of any governmental or local authority, and any other acts and causes, not within the control of the party claiming excuse from performance, which by the exercise of due diligence and reasonable commercial effort, that party shall not have been able to foresee, avoid or overcome. During the period of any Force Majeure condition, the parties shall cooperate to perform under the Contract to the best of the parties' abilities.

If either party in good faith is rendered wholly or partially unable by Force Majeure conditions to carry out its obligations under the Contract, or if Seller's supplier is unable to provide Equipment or materials, and if that party gives prompt written notice and full particulars of such Force Majeure condition to the other party, that party shall be excused from performance of its obligations during the continuance of any such inability, but for no longer period. Such cause shall be remedied to the extent possible with all reasonable speed, and with all reasonable commercial efforts, and notice shall be given when the cause is remedied.

Seller reserves the right to suspend, without any liability to or recourse from Buyer, all or part of the services to be performed hereunder (including the commissioning and shipment of Equipment) during any period when, in the reasonable judgment of Seller, the health and/or safety of Seller and/or its subcontractors' personnel performing any such service could be jeopardized.



10. INSTALLATION

The scope of work does not include installation or any onsite services unless specifically set forth in the Contract and Buyer is responsible for the installation of the Equipment including, without limitation, all civil engineering work and foundations, unloading, unpacking and proper positioning of Equipment, pre-aligning and anchoring of Equipment, disposal of packing materials, filling of all fluid reservoirs and provision of and connecting all electrical wiring, electronic connections and utility services required for the Equipment and the costs of the foregoing. Seller's service department can make a service technician available for consultation on site to assist Buyer with the Buyer's responsibilities listed below. This service will be priced at Seller's usual and customary daily service rates plus reasonable expenses.

The Equipment covered by the Contract may require special footings, foundations or floor surfaces depending upon the depth and condition of the existing concrete slab, foundation, or floor surface and other physical conditions all of which are the responsibility of Buyer. Upon written request, Seller will furnish a layout or foundation drawing to assist Buyer in the installation, which drawing shall be approved in writing by Buyer as set forth in Section 8. Such layout or foundation drawings are approximate and are submitted only to assist Buyer with respect to installation. Specifically:

- Buyer is responsible for all site preparation, foundations, pits and government permits
- Buyer is to remove the Equipment from the shipping containers and place it in approximate position on the plant floor
- Buyer is to remove all packing materials and clean the machine
- Buyer is to provide and install all Equipment/foundation anchors according to instructions provided by Seller
- Buyer to reconnect the inter-connect wiring per the electrical drawings provided
- Buyer to provide air lines to the machines per the APPROVED LAYOUT DRAWING
- Buyer to connect appropriate power to the machine control console
- Buyer is responsible for maintenance and operation of the machine

If start up and commissioning services of the Equipment in Buyer's plant, and/or operator training are included in the price, unless otherwise expressly stated in the Contract, it shall be specified for a fixed number (depending upon the type of machinery) of eight (8) hour business days then:

- Buyer is responsible for economy or equivalent class air travel, hotel, meals, ground Transportation as well as any expenses incurred (i.e.; tolls, parking fees, parts requirements, etc.) for the Seller's service technician(s)'s visit
- Buyer is to provide any lifting Equipment as required by the Seller's service technician
- Buyer to provide sufficient quantities of conforming material for start-up and testing of the machine
- Buyer to provide one maintenance person full time to work under the direction of the Seller's service technician during the start-up and training
- Buyer is to make all operators available on the first shift for training in start-up, operation and maintenance

Any additional service or training time over the included fixed number of business days set forth in the Contract is available at Seller's usual and customary daily service rates as announced from time to time plus reasonable expenses.



11. LAWS/SAFETY STANDARDS

The Equipment furnished hereunder conforms to the applicable ANSI standards. However, the end user is the party responsible under the terms of all applicable Federal, state, local and regional laws applicable to such Equipment including the Occupational Health and Safety Act of 1970 (the “Act”), or the industrial safety laws applicable to the facility where the Equipment is installed, to ensure the Equipment meets such requirements, and Seller hereby disclaims any liability for any violations of the Act or other applicable regulation or law for safe and healthy operation that may be imposed respecting the Equipment furnished under the Contract.

Buyer shall train, require and cause its employees to (i) comply with directions set forth in documented inspections of the Equipment and in maintenance, safety and operation instructions, manuals, drawings, safety notices and warnings and other instructions furnished by Seller; (ii) use reasonable care and all safety equipment and applicable safety guards and safety systems in the set-up, adjustment, operation and maintenance and repair of the Equipment; (iii) not remove, or disable or permit anyone to remove or disable any safety equipment, safety feature, warning placards, labels or warning signs from the Equipment nor permanently remove or disable any guards or safety features; and (iv) assure that the Equipment is used in accordance with all applicable laws, regulations, customs, permits and standards in force.

12. EQUIPMENT DEMONSTRATION AND ACCEPTANCE

For certain Equipment lines, systems and/or product applications, the Seller may determine that testing in Seller’s factory in the presence of Buyer (“Demonstration”) is required. If Seller does not require a Demonstration, Buyer may request a Demonstration however Buyer understands that unless Seller included a Demonstration in its Quotation, then Buyer’s request for the addition of a Demonstration shall be considered as a request for a change to the Contract (reference Section 5). Buyer may also witness the standard final quality testing that Seller routinely performs prior to shipment from its factory at no additional charge. In the case of Demonstration, Seller will demonstrate the Equipment at its facility only to the extent that the Equipment purchased under the Contract can be appropriately demonstrated at such location. If material is to be part of the testing process, Buyer is responsible to furnish, freight prepaid, the required amount of material necessary for this purpose. Such material must be of acceptable quality and conform to the material properties as specified in the Contract.

The successful Demonstration of the Equipment shall constitute acceptance by Buyer of the Equipment and Buyer agrees to execute a certificate generated by Seller, in Seller’s presence and prior to shipment of the Equipment so stating. Such certificate shall also constitute passage of title to Buyer and permission to ship the Equipment after completion of any checklist, tear down and packaging. Buyer further agrees to execute a “clean” certificate after the completion of the checklist upon Seller’s request.

If Seller determines that a Demonstration is required, Buyer may request Seller to waive Buyer’s requirement to attend the Demonstration and agrees to accept alternative confirmation of the successfully completed factory testing. If Seller agrees, then Seller shall provide Buyer with copies of data sheets, photographs or video of the factory test results at Seller’s discretion, that accurately convey the results of the testing conducted by Seller in its factory in Buyer’s absence (“Test Results”). In such cases, Buyer understands and agrees that Seller’s provision of Test Results shall create an irrefutable presumption that the Equipment is accepted by Buyer. In such cases, if material is to be part of the testing process, Buyer is not relieved of its responsibility to furnish, freight prepaid, or reimburse Seller for the cost of the required amount of material necessary for this purpose.

In the absence of any Demonstration at Seller’s facility, Buyer’s receipt of the Equipment delivered hereunder shall be an unqualified acceptance of and shall also constitute a waiver of any defect which reasonable inspection would have revealed unless Buyer gives Seller notice of rejection of the Equipment



within thirty (30) days after such receipt. In the event that Buyer gives such notice of rejection, Buyer shall afford Seller (i) reasonable opportunities to inspect any alleged non-conforming Equipment and ii) a reasonable opportunity to make the Equipment conforming, or provide substitute conforming Equipment. Buyer shall not return any Equipment without Seller's prior written consent.

13. DISPUTE RESOLUTION/GOVERNING LAW

All claims, disputes or controversies (whether in contract or tort, pursuant to statute or regulation, or otherwise, and whether pre-existing, present or future) arising out of or relating to: (a) these Terms and Conditions of Sale; (b) any advertisement, promotion, or proposal relating to these Terms and Conditions of Sale, or (c) the relationship which results from these Terms and Conditions of Sale (including relationships with third parties who are not party to these Terms and Conditions of Sale) (collectively "Claims") will be resolved, first, by a formal mediation conducted by an experienced mediator mutually agreed upon by Buyer and Seller, and, if mediation should fail to resolve the claim or dispute, secondly, by reference to and determination by binding arbitration governed by the Federal Arbitration Act and administered by the American Arbitration Association under its rules for the resolution of disputes, or under other mutually agreed procedures. Any such proceedings under mediation or arbitration shall be conducted in Hudson, Wisconsin in the United States of America, and the proceedings shall be conducted and all submissions of the parties and rulings of the arbitrator(s) shall be in the English language. Notwithstanding the rules of the arbitral body, the parties agree that (a) any arbitration proceeding shall be presided over by a neutral arbitrator selected by the parties who shall be admitted to the practice of law and be in good standing or in retirement status in the jurisdiction where the proceeding is held, (b) guidelines for "discovery" of facts through document production and deposition of witnesses by the parties shall be delineated by the arbitrator in writing, conducted in an orderly manner, conducted over a fixed period not to exceed 90 days — and failures to reasonably comply shall be subject to summary process in a court of law in the jurisdiction where the arbitration is being conducted, (c) the decision of the arbitrator shall be based on the relevant and credible facts as presented into evidence and (d) the arbitrator shall prepare a written memorandum of decision setting forth the findings of fact and conclusion of law. Because this method of dispute resolution is personal, individual and provides the exclusive method for resolving such disputes, Buyer further agrees, to the extent permitted by applicable laws, to waive any right to commence or participate in any class action or class-wide litigation or arbitration against Seller related to any Claim. BOTH PARTIES WAIVE THE RIGHT TO A JURY TRIAL.

Buyer agrees that in the event of any breach of the Contract by Buyer that may cause irreparable harm to Seller for which an award of money damages is insufficient relief, Seller may, in addition to any remedies which Seller may have available to it, pursue injunctive or other equitable relief in a court of competent jurisdiction to prevent or curtail any breach by Buyer of its obligations to be performed under the Contract. All remedies provided to Seller under the Contract are cumulative, and may be exercised by Seller singularly or in conjunction with other available remedies, from time to time and at any time.

This provision shall survive the termination of the Contract governed by the Terms and Conditions of Sale.

The Governing law shall be the laws of the Commonwealth of W. With respect to international transactions, the UN Convention on the international sale of goods is hereby excluded from application to the Contract.



14. WARRANTY

Seller warrants to the original purchaser that the Equipment provided under the Contract shall be free from defects in material or workmanship for a period of one (1) year, measured from the date of shipment. The foregoing warranty will become void, and Seller will have no obligation whatsoever under this warranty, with respect to any of the following: Equipment that is (i) not used or maintained in a normal and proper manner, in accordance with all manuals and instructions; (ii) Equipment that is modified, altered or repaired without the prior written approval of Seller; (iii) Buyer fails to make any payments when due under Section 4 or otherwise in the Contract or (iv) Equipment that is that is assigned, sold or transferred to an entity other than the Buyer unless Buyer is a financing entity, lessor or dealer and has notified Seller in advance at time of order that Buyer will not be the end-user of the Equipment. Seller will repair or replace at its option components which upon inspection it finds to be defective, based on claims made in writing to Seller within a reasonable time after discovery and within the warranty period. Components alleged to be defective must be returned to Seller for repair or replacement, freight prepaid, within thirty (30) days of Buyer's receipt of the return authorization number, obtained from Seller, which must be clearly marked on the outside of the return container. Replacement components may be shipped from Seller upon Buyer's request and receipt of a valid purchase order number so the validity of the Warranty can be determined. Unless otherwise specified, replacement components shall be Delivered to Buyer "EXW (EX Works) Seller's factory or designated location" (Incoterms 2010). Any labor or equipment rental costs incurred in the dismantling and reassembly of the Equipment shall be at Buyer's sole expense. This warranty excludes equipment, materials and components furnished by the Seller but manufactured by another party, which may be incorporated in the Equipment, line or system sold under the Contract. Such components and equipment shall bear no warranties other than the warranties extended by and enforceable against the manufacturer thereof at the time of Delivery to Buyer (which warranties Seller will furnish on Buyer's written request), for the period stated in that warranty. If the Equipment (machinery, controls or tooling) provided under the Contract is or includes re-built machinery, the warranty does not extend to, include or cover any used machined parts, fabrications or components whether supplied or provided by Buyer or otherwise that are not replaced by Seller as part of the re-building process. Notwithstanding the foregoing, to the extent the Equipment or component is deemed by Seller, or in the case of a component, the manufacturer of the component, to be obsolete, such Equipment or component shall bear no warranty.

THE WARRANTY STATED HEREIN IS PERSONAL TO BUYER AND SELLER MAKES NO OTHER WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE EQUIPMENT FURNISHED HEREUNDER AND DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE ABOVE WARRANTY SHALL CONSTITUTE BUYER'S EXCLUSIVE REMEDY WITH RESPECT TO THE EQUIPMENT FURNISHED HEREUNDER.

If Buyer removes or permits anyone to remove any safety equipment or warning signs, placards and/or labels or fails to observe any condition in this Section 15, or if any injury or damage is caused, in whole or in part, by the end-user's failure to comply with applicable federal, state or local safety requirements or Seller's instructions as set forth in Section 12 above, Seller shall have no obligation to Buyer, and Buyer shall indemnify and hold Seller harmless against any claims, loss or expense for injury or damage arising from the improper use of the Equipment. Seller specifically disclaims any and all liability arising out of the operating of the Equipment other than the warranty liabilities to the original Buyer.

15. LIMITATION OF LIABILITY

BUYER UNDERSTANDS AND ACKNOWLEDGES THAT WITH RESPECT TO THE CONTRACT, SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, PUNITIVE OR INCIDENTAL DAMAGES OF ANY KIND, OR LABOR, EXPENSES, LOST PROFITS, LOST OPPORTUNITIES, OR SIMILAR DAMAGES OF ANY KIND; AND REGARDLESS OF THE



LEGAL THEORY OR CAUSES OF ACTION BY WHICH CLAIMS FOR ANY SUCH DAMAGES AS SET FORTH IN THE ENTIRETY OF THE CONTRACT ARE ADVANCED, WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH DAMAGES.

16. INDEMNITY

Buyer agrees to indemnify and hold harmless Seller and its vendors from any and all claims or liabilities asserted against Seller or its vendors in connection with the manufacture, sale, delivery, re-sale, or repair or use of any Equipment covered by or furnished under the Contract arising in whole or in part out of or by reason of the failure of Buyer, its agents, servants, employees or customers to follow directions, instructions, warnings or recommendations furnished by Seller or its vendors in connection with such Equipment, or by reason of the failure of Buyer, its agents, servants, employees or customers to comply with all federal, state or local laws and regulations applicable to such Equipment, including the Occupational Safety and Health Act of 1970, or by reason of the negligence of Buyer, its agents, servants, employees or customers.

17. PATENT INDEMNITY

Buyer represents and warrants that the methods, directives, specifications or designs for Equipment or tooling that Buyer provides to Seller shall be the property of Buyer or at a minimum, shall be free of any claim by a third party as to ownership or license or any infringement on a patent, trademark or other intellectual property right. In the event that the Buyer provides methods, directions, specifications or designs for Equipment or tooling, Buyer shall indemnify and hold Seller harmless from and against any and all claims, demands, actions, lawsuits, proceedings, liabilities, losses, costs, expenses (including without limitation attorneys' fees) arising from or related to any actual or alleged infringement of any United States patents of any third party resulting from the methods, directions, specifications or design of the Equipment or tooling supplied or required by Buyer for the Equipment or the production of any parts or the processing of any material on the Equipment. If a permanent injunction shall prohibit the use, sale or distribution of the Equipment or any part thereof by reason of any patent infringement covered by this indemnity, Buyer shall, at its own expense, either (a) procure for Seller a license for the right to continue using the Equipment or the part thereof found to be infringing; (b) replace or modify the Equipment or any part thereof found to be infringing so that the same becomes non-infringing, without any increase in the price of the Equipment, or (c) reimburse Seller for the purchase price of the Equipment. The provisions of this section shall survive the performance or termination of the Contract.

18. SOFTWARE LICENSE/IP LICENSE

If any software programs are deliverable, Buyer shall have a temporary license to such software only, until full payment has been made whereupon Buyer shall receive a full license to the use of the software in accordance with the terms and conditions of that license and as set forth below. The temporary license can be suspended or terminated by Seller at any time without notice to Buyer after the period for payment by Buyer has expired. For the sake of clarification, Buyer understands and acknowledges that failure to pay for the Equipment in accordance with the Agreement may result in the termination of the temporary software license and disruption of operation and service. In addition, such license of Seller, and any licenses procured by Seller on Buyer's behalf are not transferrable without notice to Seller and payment of the required transfer fee.

Upon Seller's receipt of full payment and subject to Buyer's compliance with all material obligations under the Agreement, Seller hereby grants to Buyer a nonexclusive, perpetual, nontransferable right and license to use copies of software programs embedded in, or used in connection with, Equipment which Buyer has purchased hereunder, in Object Code only, for use by the Buyer only, in conjunction with the Equipment, line and system. No modification, download, transfer, or preparation of derivative works of such software whatsoever is permitted. Seller will not supply any Source Code under the Agreement.



Subject to Buyer's compliance with the terms of the Agreement, Seller grants to Buyer a non-exclusive, limited license to use Seller's intellectual property that is incorporated in the Equipment for its own account for the purposes intended in operating the Equipment. Notwithstanding the foregoing, Seller is, and shall be, the exclusive owner of such intellectual property and retain all right, title and interest in such intellectual property.

19. EXPORT CONTROL, SUSPENSION/DEBARMENT AND TRADE RESTRICTIONS

Seller's policy is to fully comply with all applicable U.S. trade laws and regulations, including, without limitation, The Export Administration Act and the Export Administration Regulations administered by the U.S. Department of Commerce, Bureau of Industry and Security. Seller is not responsible for any violation by Customer or any third parties of any applicable U.S. trade laws or regulations related to the sale, transfer or use of any Products. Customer hereby indemnifies and holds Seller and its members, managers, officers and employees harmless from any and all claims and liabilities (including, without limitation, reasonable attorney's and other professional fees) that arise from or relate to any violations of any applicable U.S. trade laws or regulations alleged or committed by Customer or any third party acting for or on behalf of Customer related to any Product or Work."

This includes sales outside of the United States or sales to third parties in the United States who are acting as agents and are representatives for companies doing business outside of the United States. Before any Product is sold and transaction is completed between Customer and a third party that is not an end user, inside or outside the U.S. the Customer agrees to notify Seller. Customer acknowledges that the goods, software, technology/technical data, and/or services provided by Seller are subject to U.S. export control laws and regulations and that such laws and regulations may impose restrictions on the sale, transfer, use, importation, exportation, re-exportation, or disposition of such goods, software, technology/technical data and/or services by Customer. Customer further acknowledges that such laws and regulations may impose reporting or other requirements on Customer. Customer agrees to comply with all applicable U.S. export control laws and regulations in connection with the performance of its duties and responsibilities under this Contract. Upon request by Seller, Customer further agrees to furnish complete and accurate information to Seller regarding the intended application, end user, end use, destination, and/or other details as may be required for the proper exportation of the goods, software, technology/technical data and/or services from the United States.

20. MISCELLANEOUS

The Contract supersedes and replaces any and all prior or contemporaneous agreements, understandings, arrangements or representations, whether oral or written heretofore made between the parties and relating to the subject matter hereof, and constitutes the entire understanding of the parties with respect to the subject matter of the Contract.

If Buyer intends to resell or otherwise transfer the Equipment covered by the Contract, Buyer must advise its customer of the details of the Warranty, Limitation of Liability, Software and IP License and Export Control, Suspension/Debarment And Trade Restrictions contained in Sections 15, 16, 18, 19, and 20 respectively.

The language of the Contract and any related correspondence, including notices to either party shall be English. In the event that any translations of the Contract or portions thereof to another language are included in the Contract documentation, the parties understand and agree that such translations are for convenience and the English version shall take precedence in the event of any conflict or inconsistency.

If either Party, at its option, agrees to a waiver of any of the terms and conditions recited herein, such waiver shall not for any purpose be construed as a waiver of any succeeding breach of the same or any other terms and conditions; nor shall such a waiver be deemed as a course of conduct.



CalRose LLC

Automation and Controls

Terms and Conditions

If any provision or clause, or portion thereof, of the Contract, or application thereof to any person or circumstances is held invalid or unconscionable, such invalidity or unconscionability shall not affect other provisions, or portions thereof, or applications of the Contract which can be given effect without the invalid or unconscionable provision, or portion thereof, or application, and to this end the provisions of these Terms and Conditions of Sale are declared to be severable.

Captions and heading in the Contract are strictly for the purpose of convenience and general reference only, and shall not affect the meaning or interpretation of any of the provisions of the Contract.

Except as required to obtain necessary licenses or governmental approvals, each party shall obtain the written approval (which approval shall not be unreasonably withheld) of the other in advance of the disclosure of any news releases, articles, brochures, advertisements, prepared speeches and other information releases, concerning the Contract or the work performed or to be performed hereunder.