

## GENERAL TERMS OF SALE

1. **GENERAL** This order together with any additional writings signed by Seller shall represent the final, complete and exclusive statement of the Agreement between the parties and may not be modified, supplemented, explained or waived by parol evidence, Buyer's purchase order, a course of dealing, Seller's performance of delivery, or in any other way except in writing signed by an authorized employee of the Seller. These terms are intended to cover all activity of Seller and Buyer hereunder, including sales and use of products, parts and work and all related matters (references to products include parts and references to work include construction, installation, and start-up). Any reference by Seller to Buyer's specification and similar requirements are only to describe the products and work covered hereby, and no warranties or other terms therein shall have any force or effect. Catalogs, circulars and similar pamphlets of the Seller are issued for general information purposes only and shall not be deemed to modify the provisions hereof.
2. **CONTRACT PERFORMANCE, INSPECTION AND ACCEPTANCE**
  - A. Unless Seller specifically assumes installation, construction or start-up responsibility; all products shall be finally inspected and accepted within thirty (30) days after completion of the applicable work by Seller. All claims whatsoever by Buyer (including claims for shortages), excepting only those provided for under the WARRANTY statement and PATENTS Clause hereof, must be asserted in writing by Buyer within thirty (30) days period or they are waived. If this contract involves partial performance, all such claims must be asserted within said thirty (30) day period for each partial performance. There shall be no revocation of acceptance. Rejection may be only for defects substantially impairing the value of products or work and Buyer's remedy for lesser defects shall be those provided for under the WARRANTY statement.
  - B. Seller shall not be responsible for nonperformance or delays in performance occasioned by any causes beyond Seller's reasonable

control, including, but not limited to labor difficulties, delays of vendors or carriers, fires, governmental actions and material shortages. Any so occasioned shall effect a corresponding extension of Seller's performance dates, which are in any event, understood to be approximate. In no event shall Buyer be entitled to incidental or consequential damages for late performance or failure to perform.

3. **TITLE AND RISK OF LOSS** Full risk of loss (including transportation delays and losses) shall pass to the Buyer upon delivery of products to the Ex-works point or if Seller consents to a delay in shipment beyond the contract date at the request of the Buyer upon notification by the Seller that the products are manufactured.
4. **PATENTS** Seller agrees to assume the defense of any suit for infringement of any United States patents brought against Buyer to the extent such suit charged infringement of an apparatus or product claim by Seller's product in and of itself, provided (i) said products is built entirely to Seller's design, (ii) Buyer notifies Seller in writing of the filing of such suit within ten (10) working days after the service of the process thereof, and  
(iii) Seller's given complete control to the defense of such suit, including the right to defend, settle and make changes in the product for the purpose of avoiding infringement. Seller assumes no responsibility for charges of its infringement of any process or method claims, unless infringement of such claims is the result of following specific instructions furnished by Seller.
5. **TERMS OF PAYMENT**
  - A. Unless other terms are specified, all payment shall be in US dollars and shall become due in 30 days after shipment. All shipments, unless otherwise specified, shall be Ex-works manufacturer's plant. If delivery is delayed by purchaser, date of readiness for delivery shall be billed separately for payment purposes. If manufacture is delayed by purchaser, a payment shall be due based on purchase price and percentage of completion. Balance payable in accordance with terms stated herein.

- B.** If Seller has not received full payment within thirty (30) days after such payment is due then Buyer's outstanding balance will be subject to an interest charge equal to two (2) percentage points above prime rate.
6. **TAXES** Any sales, use or other similar type taxes imposed on this sale or on this transaction are not included in the price. Such taxes shall be billed separately to the Buyer. Seller will accept a valid exemption certificate from the Buyer is applicable, however, if an exemption certificate previously accepted is not recognized by the governmental taxing authority involved and the Seller is required to pay the tax covered by such exemption certificate. Buyer agrees to promptly reimburse Seller for taxes paid.
7. **CANCELLATION** Following approval by Seller, Buyer may not cancel except upon payment of twenty percent (20%) to one hundred percent (100%) of the total price of the product and work depending on the status of completion, plus Seller's non-recoverable costs (including incidental and consequential damages) attributed to this order.
8. **SECURITY INTEREST** Buyer represents that the product is to be used for business, and shall remain personalty. Buyer grants Seller a security interest in the product to secure the payment of the purchase price. Buyer will not lease, transfer or encumber the product and will keep it free from any and all liens and security interest. Upon default, Seller shall have all the remedies available to it under the Uniform Commercial Code and other applicable laws of the state in which the product is located and shall be entitled to all legal costs, reasonable attorney's fees, and all other reasonable expenses and costs permitted by law which are incurred by Seller in enforcing its remedies. The security interest herein granted shall be in Buyer's interest in the product and shall be fully discharged upon receipt by Seller of the unpaid balance of the purchase price. Buyer agrees:
- A. to sign all financing statements and other instruments or documents that Seller may reasonably believe are necessary to protect this security interest
- B. if movement of the product to another location is allowed under any other

documents relating to this proposal to give Seller at least thirty (30) days advance written notice of any such change in location

- C. to inform Seller of any change in the law of jurisdiction in which the product is located whether such change is statutory or otherwise, which change could affect the continued status of the product as personalty
  - D. to procure and maintain insurance on the product for its full purchase price, with the policy to name Seller as Loss Payee.
9. **CONFIDENTIALITY** Technical data and layouts supplied by Seller in connection herewith are confidential pending Buyer's acceptance of this proposal.
10. **OSHA LAWS** Seller has taken the Occupational Safety and Health Act of 1970 (OSHA) and like state and local laws into account in the design of its products with the objectives that when such equipment is placed in appropriate environment it will enable the operator or user to comply with the applicable OSHA and similar requirements, however, because compliance is significantly affected by many factors over which Seller has little control (such as installation, plant layout, building acoustics, materials processed, processing procedures and supervision and training of employees), Seller does not represent or warrant that equipment sold by it complies with OSHA or any like state or local law or regulation and the cost for modifications and responsibility for compliance are the Buyer's responsibility.