

Tipton US Corp. ("Seller") offer to sell to the Buyer ("Buyer") the goods and services ("Goods") only upon the following terms and conditions:

1. **Purchase Orders.** All purchase orders of Buyer shall be in writing and set forth the quantity of Goods desired, the specifications therefore, the desired delivery date, the price of each Good, and all information necessary to effectuate shipment of the Goods by Seller. All purchase orders shall be subject to acceptance of these terms and conditions of sale and no additional, inconsistent or contrary terms shall become part of this agreement or any sale or provision of Goods to Buyer, and Seller hereby objects to any such additional, inconsistent or contrary terms.

2. **Acceptance and Cancellation.** All purchase orders are subject to acceptance by Seller at Lebanon, Ohio. Seller may accept any purchase order of Buyer by return of an acknowledgement copy of the purchase order signed by Seller, or by shipment of any of the Goods. Buyer may not cancel any purchase order accepted by Seller and will be liable for the entire purchase amount upon Seller's acceptance of the purchase order.

3. **Taxes.** All prices are exclusive of federal state, local and other excise, sales, use, property, transportation, occupational and other taxes relating to the Goods now or hereafter imposed together with any penalties and expenses, all of which shall be paid by Buyer. Buyer shall be responsible for collecting and/or paying any and all such taxes whether or not they are stated in any invoice and shall indemnify Seller with respect thereto. Seller, at its option, may at any time separately bill Buyer for any taxes not included in Seller's invoice, and Buyer shall pay said taxes.

4. **Delivery.** All shipments shall be FOB place of origin unless otherwise specified in writing by Seller. Buyer assumes all risk of damage to or loss of Goods from the time Seller delivers such Goods to the first common carrier at Seller's facility or other place of origin. Seller does not guarantee time of delivery, and any dates or times provided are estimates only. Seller shall not be responsible or liable for any loss of income, profits, incidental, special and/or consequential damages resulting from Seller's delayed performance in shipment of the Goods for any reason whatsoever. Seller reserves the right to make partial shipments, but will attempt to minimize such partial shipments and reserves the right to withhold shipments or to require prepayment of any orders when warranted, in the option of the Seller, including due to Buyer's payment record or financial conditions. Such action shall not be construed as a breach or cancellation of this agreement by Seller. Any delivery delay requested by Buyer requires payment by buyer of a \$ 200.00 per month storage fee ("Storage Fee") or such higher amount as specified by Seller, which shall be prorated for partial months.

5. **Inspection.** Inspection and run-off (demos from Goods) will be at Seller's place of business unless agreed to in writing by Seller. Any change of location, if accepted by Seller, will require at least three (3) weeks advance written notice to Seller. In such case, Seller will issue a new quote and Buyer will issue a new purchase order for the Goods, as pricing may change.

6. **Limited Warranties.** Seller warrants that the Goods manufactured by Seller or its related companies shall be free from defects in workmanship and material for a period of one (1) year from the date of shipment from Seller to Buyer or two-thousand (2000) machine hours, whichever comes first. If during the warranty period the Goods should prove defective as determined by Seller, Seller shall have the right at its sole option to either (i) repair or replace the Good(s) or any defective part(s); or refund the purchase price of the defective Good(s) or part(s) upon receipt by Seller. Seller shall have the right of requiring the return of the defective Good(s) or part(s), transportation prepaid, to establish any claim. Seller and Buyer acknowledge that Seller's sole and exclusive obligation shall be to repair, replace or refund the purchase price of the defective Good(s) or part(s) as provided herein. All parts on Goods not manufactured by Seller or its related companies, and all services, are provided "AS IS" without warranty. In the case of part(s) manufactured by Seller or its related companies, Seller, in its discretion, may seek to inspect the allegedly defective part(s) and/or contact the applicable part manufacturer to determine if any warranty coverage exists from the manufacturer. Seller does not warrant any media (abrasive material used by Goods) or compound (lubricant for media) which are provided on an "AS IS" basis only. **SELLERS WARRANTY HEREIN IS IN LUE OF AND EXCLUDES ALL OTHER WARRANTIES OF SELLER AND THE MANUFACTURER OF GOODS AND THEIR PARENT, SUBSIDIARY AND AFFILIATED COMPANIES WHETHER EXPRESS, IMPLIED OR STATUTORY, OR OTHERWISE CREATED UNDER APPLICABLE LAW INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE OF USE. IN NO EVENT SHALL SELLER, THE MANUFACTURER OF GOODS AND THEIR PARENT, SUBSIDIARY AND AFFILIATED COMPANIES, BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS, WHETHER OR NOT CAUSED BY OR RESULTING FROM NEGLIGENCE OF SELLER. IN ADDITION, THIS WARRANTY SHALL NOT APPLY TO ANY GOODS OR PORTIONS THEREOF WHICH HAVE BEEN SUBJECT TO ABUSE, MISUSE, IMPROPER INSTALLATION, MAINTENANCE OR OPERATION, ELECTRICAL FAILURE OR ABNORMAL CONDITIONS, AND TO ALL GOODS WHICH MAY HAVE BEEN TAMPERED WITH, ALTERED, MODIFIED, REPAIRED OR REWORKED BY ANYONE NOT APPROVED SELLER OR WHICH HAVE BEEN MANUFACTURED BASED ON BUYER'S SPECIFICATIONS, DESIGNS OR DRAWINGS. SELLER'S SOLE AND EXCLUSIVE LIABILITY (AND BUYER'S SOLE REMEDY) UNDER THIS WARRANTY SHALL BE AT SELLER'S SOLE ELECTION, TO REPLACE OR REPAIR. OR RETURN THE PURCHASE FOR ANY, DEFECTIVE GOOD (S) OR PART (S) THEREOF. NO RUN-OFF, SAMPLE OR DEMO SHALL GIVE RISE TO A WARRANTY. No employee or agent of the Seller (or any distributor, dealer or sales representative of Seller) has the authority to bind Seller to any**

**affirmation, representation or warranty concerning the Goods or parts unless such affirmation, representation or warranty is specifically included in these terms and conditions of sale, it will not form a part of the basis of these terms and conditions for sale and shall in no way be binding upon the Seller or enforceable by Buyer. THE TOTAL LIABILITY OF SELLER AND THEIR RESPECTIVE PARENT, SUBSIDIARY AND AFFILIATED COMPANIES SHALL NOT EXCEED, UNDER ANY CIRCUMSTANCES, THE AMOUNT ACTUALLY PAID TO SELLER WITH RESPECT TO THE SPECIFIC GOOD (S) OR PART (S) WHICH GIVES RISE TO THE CLAIM, LOSS OR DAMAGE, REGARDLESS OF THE NATURE OF THE DAMAGES, LOSSES OR THE LEGAL THEORY OR BASIS FOR LIABILITY.**

7. **Invoices, Payments and returns.** Individual invoices will be issued for each shipment. Unless otherwise specified in writing by Seller, payment by Buyer shall be made within thirty (30) days of the invoice date and is not subject to adjustment or set off for any reason. Purchase orders may be accepted subject to any credit terms imposed by Seller, including but not limited to, cash on delivery, in advance of or an receipt. Seller reserves to right to charge interest at the rate of 1.5% per month (but not more than the maximum allowable percentage permitted by law) on all balances not paid by Buyer within designated terms. Goods may be returned to Seller only upon Seller's written authorization.

8. **Security Interest.** Buyer hereby grants to Seller and Seller hereby retains a continuing purchase money security interest in the Goods, and all spare parts and components therefore and accessions thereto, together with any and all proceeds of sale or other disposition of the Goods including, without limitation, cash, accounts, contact rights, chattel paper and general intangibles. Buyer hereby authorizes Seller to prepare, execute and/or file one or more financing statements or other documents in a form and in such locations as satisfactory to Seller to evidence Seller's interest in the Goods. Buyer shall keep the Goods free from any adverse lien, security interest, or encumbrance, and will not store or use the Goods or any part thereof in violation of any statute or ordinance. In the event Buyer shall be in default under this agreement, Seller in addition to any remedies hereunder, shall have all remedies of secured party under the Uniform Commercial Code ("UCC").

9. **Drawings/Technical Information.** Drawings, specifications, designs, and other technical information furnished to Buyer by Seller shall remain the property of the Seller and shall be held in strict confidence by Buyer. Such information shall not be used or disclosed to others by Buyer without Seller's written consent.

10. **Governing Law, Jurisdiction and Venue.** The interpretation, validity, and enforcement of these terms and conditions shall be governed by internal laws of the State of Ohio without reference to its conflicts of laws provisions. Buyer agrees that it shall assert all claims arising out of this agreement, the purchase or sale of Goods or otherwise relating to the Goods or the relationship of the parties only in the state or federal courts for Butler County, Ohio, and Buyer consents to jurisdiction and venue of such courts. Seller reserves the right to initiate and maintain legal action in Ohio or in any other forum, including where Goods or Buyer may be located for purposes of replevying or repossessing Goods.

11. **Force Majeure.** Seller will not be liable for delays in production or delivery; including due to cases beyond its control, including, but not limited to, acts of God, fires, strikes, floods, quarantine restrictions, war, acts of terror, delays in transportation, car storages and inavailability to obtain necessary labor, materials or manufacturing facilities. In no event will Seller be liable to Buyer for any damages whatsoever, including loss of use, lost profits, or other special or consequential damages resulting from delays or Seller's inability or failure to deliver Goods.

12. **Miscellaneous.** The Terms and conditions of sale constitute the entire agreement between Seller and Buyer and supersede any and all other written or verbal prior or contemptuous agreements, quotations, negotiations or understandings between the parties. There are no agreements between Seller and Buyer with respect to the Goods and the subject matter hereof except those specifically set fourth and made a part of these terms conditions of sale.

A) If any of these terms and conditions of sale is held invalid, the remaining terms and conditions hereof shall not be affected thereby.

B) These terms and conditions of sale may be modified, cancelled or rescinded only by a written agreement signed by both parties.

C) Any failure by either party to enforce at any time any term or conditions hereof shall not be considered a waiver of such party's right thereafter to enforce the same or any other term or condition.

D) These terms and conditions of sale shall be binding upon the successors and legal representatives of Buyer and Seller, but may not be assigned by Buyer without Seller's advance written consent.

E) Seller shall be entitled to recover from Buyer all attorney's fees, court costs and other expenses incurred in enforcing this agreement or any rights Seller has relating to the Goods or this agreement.

F) No cause of action arising out of or relating to the Goods or any provision of Goods or any claimed breach of these terms and conditions may be asserted by Buyer, whether in contract, tort or otherwise, in any form whatsoever, more than one (1) year after the date on which such cause of action accrued.

13. **Waiver of Jury and Punitive Damages.** TO THE FULLEST EXTENT PERMITTED BY LAW, BUYER AND SELLER HEREBY AND IRREVOKABLY AND KNOWINGLY WAIVE ANY RIGHTS TO TRIAL BY JURY OR FOR PUNITIVE OR EXEMPLARY DAMAGES WHICH EITHER MIGHT HAVE FOR ANY CLAIM RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE PURCHASE OR SALE OF GOODS OR OTHERWISE RELATING TO THE GOODS OR THE RELATIONSHIP OF THE PARTIES HERETO.