



Terms and Conditions of Sale

All goods are sold subject to the following terms and conditions of sale. A.L. Hansen Mfg. Co.'s acceptance of any order is expressly conditioned upon Buyer's assent to these terms and conditions.

- 1. PRICE.** Unless otherwise provided, the prices herein for the goods sold hereunder ("Goods") are f.o.b. plant of manufacture, subject to adjustment by Seller to prices in effect on the date of shipment. Prices are subject to change without notice.
- 2. TAXES AND OTHER CHARGES.** Unless otherwise specified, the prices stated herein for the Goods do not include any sales, use, excise, transfer or other taxes, federal, state or local, or any shipping, special packing or similar charges. Wherever applicable, all such taxes and charges will be payable by Buyer and may be added to Seller's invoices as separate charges to be paid by Buyer. Taxes not stated in the invoice may in Seller's discretion be invoiced to Buyer later and are payable by Buyer on demand. Seller may decline to deliver except for cash or stop goods in transit whenever for any reason it has doubts about any sales, use, excise, transfer or other taxes, federal, state or local, which have been or may be imposed with respect to the sale of Goods or services hereunder.
- 3. TITLE AND RISK OF LOSS.** Title and risk of loss or damage in transit will pass to Buyer after delivery of Goods to the carrier at the f.o.b. point. Seller reserves the right to select the means of shipment and carrier, if any, unless specific shipping instructions are received from Buyer in writing. If Buyer requests added protection for Goods such as waterproofing or preservation, Seller's extra charges for the same will be paid by Buyer. All shipping dates are estimates and date of delivery is not guaranteed.
- 4. TERMS OF PAYMENT.** Time and terms of payment are of the essence hereof. Terms are net 30 days from the date of INVOICE, unless otherwise specified. All past due payments shall bear interest until paid at 18% per annum, or, if the highest lawful rate of interest that Seller may charge Buyer is less, then the interest shall be at the highest lawful rate. If Buyer fails to pay any invoice when due Seller may cease further deliveries on Buyer's order or any other order without waiving any rights it may have against Buyer.
- 5. DEFAULT BY BUYER.** If Buyer defaults in the performance of any of its obligations or in the event of Buyer's bankruptcy or insolvency, the full purchase price shall immediately become due and payable upon demand by Seller, or Seller may, at its option and without prejudice to any other legal remedy, cancel the order or defer and discontinue further shipments and recover its cancellation charges from Buyer. Buyer agrees to pay all costs incurred by Seller including reasonable attorneys' fees and expenses and court costs to collect or in the attempted collection of any sum owed to Seller or to enforce or in the attempted enforcement of any of the Buyer's obligations.
- 6. CANCELLATION.** Cancellation is permitted on standard Goods provided written notice of cancellation is received by Seller at least thirty (30) days before the estimated shipping date. No cancellation of orders for special or modified Goods is permitted without the written consent of Seller. Any cancellation by the Buyer shall be subject to cancellation charges based on special materials purchased for the order, parts in process, special tools, special handling, or other special expenses pertinent to the order.
- 7. INFRINGEMENT.** If any of the Goods are manufactured or sold by Seller in accordance with Buyer's design drawings, formulas, specifications or other requirements, Buyer will defend, indemnify and save and hold harmless Seller and Seller's directors, officers, employees and agents ("Indemnities") against all suits, claims and actions and from any and all damages, losses and expenses (including, without limitation, attorneys' fees, expenses and court costs) for actual or alleged infringement of any patent and to defend, at its sole expense, any suits or actions that may be brought against Indemnities for alleged infringement because of the manufacture or sale of any such Goods.
- 8. FORCE MAJEURE.** Seller will not be liable for any delay in delivery or failure in performance or for any damages suffered by Buyer by reason of such delay or failure when such delay or failure is directly or indirectly caused by, or in any manner arises from, an act of God; breakdown or destruction of plant or equipment; shortage of or inability to secure fuel, power, materials or labor; delay in or shortage of transportation; failure of suppliers, strikes or other labor difficulties; war,



riots, other civil disturbance; governmental law, regulation or requirement; or any other cause, whether or not of the nature herein before enumerated, that is beyond the reasonable control of Seller.

9. WARRANTIES AND DISCLAIMERS. Seller's Goods are guaranteed to be free from defects in material and workmanship for a period of 90 days from the date of shipment. Warranties granted or liabilities assumed hereunder shall not apply to Goods or parts that have been in any way tampered with or altered by anyone other than Seller or repaired, misused, not properly maintained, not properly installed, abused or subjected to operating conditions in excess of those for which such Goods or parts were designed. Any claim on account of defective Goods shall conclusively be deemed waived by Buyer and the warranty will not apply unless: (a) Buyer provides Seller with written notice of the alleged defect within thirty (30) days of discovery; (b) Buyer provides Seller written notice of the alleged defect within the warranty period and (c) Seller, in its sole judgment determines that the Goods or part is covered by this warranty. Seller will be given reasonable opportunity to investigate all claims and inspect all defective Goods. Buyer shall pay the cost of shipping goods authorized for return. Seller does not provide any warranties or guarantees with respect to goods or parts manufactured by others but furnished by Seller.

THERE IS NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR USE. ALL SUCH WARRANTIES HEREBY BEING DISCLAIMED AND NO OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY SET FORTH HEREIN. SUITABILITY FOR APPLICATION IS THE RESPONSIBILITY OF THE BUYER, SELLER WILL NOT BE LIABLE FOR ANY GENERAL, CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY DAMAGES FOR LOSS OF USE OR LOSS OF PROFITS, FOR ANY BREACH OF WARRANTY OR FOR NEGLIGENCE. SELLER'S LIABILITY AND BUYER'S SOLE AND EXCLUSIVE REMEDY BEING EXPRESSLY LIMITED TO THE REPAIR OF DEFECTIVE GOODS, OR THE SHIPMENT OF EQUIVALENT GOODS F.O.B. SHIPPING POINT INDICATED ON THE FACE HEREOF OR THE REPAYMENT OF THE PURCHASE PRICE UPON THE RETURN OF THE GOODS, OR THE GRANTING TO THE BUYER OF A REASONABLE CREDIT ON ACCOUNT OF ANY DEFECTS, AS SELLER MAY ELECT. IN NO EVENT SHALL SELLER'S TOTAL LIABILITY HEREUNDER EXCEED THE SALES PRICE OF THE DEFECTIVE GOOD.

10. SHORTAGES AND RETURN OF GOODS.

- (a) Claims for shortages must be made in writing within thirty (30) days of receipt of shipment.
- (b) Seller will not accept returned Goods unless Buyer has first notified Seller and received Seller's written consent.
- (c) No Goods which have been made specially will be accepted by Seller for return.
- (d) No returned Goods will be accepted for credit unless they are in saleable condition.
- (e) Buyer must prepay all shipping costs on returned Goods; Seller will not accept from the carrier Goods shipped collect.
- (f) All credits issued by Seller will be at the original price less twenty percent (20%) handling charge.
- (g) Return shipments must be accompanied by a packing slip showing in detail the list of the material and the date of Seller's letter authorizing its return.

11. GENERAL. This order may not be assigned by Buyer without Seller's written consent, and any attempt by Buyer to assign any rights or obligations hereunder without such consent will be void. The face of this order and these Terms and Conditions constitute the entire agreement between Buyer and Seller with respect to the Goods, and will supersede any conflicting terms and conditions of Buyer in its purchase order or other similar document, any statements in Buyer's purchase order or other similar document notwithstanding. This order may not be modified except by an instrument in writing signed by the duly authorized representatives of Buyer and Seller expressly referring hereto. No waiver by Seller of any breach of any provision hereof will constitute a waiver of any other breach of such or any other provision. If any provision of this agreement is held to be unconscionable or void by a court of competent jurisdiction, the balance of the agreement shall remain in full force and effect.

12. MISCELLANEOUS PROVISIONS.

- (a) Notwithstanding any custom or trade usage, this sale does not include the furnishing of any technical assistance or systems design, but any such assistance requested may be rendered by Seller at its option and for a possible additional charge.
- (b) Inspection. Inspection of Goods by Buyer at Seller's plant will be permitted only insofar as it does not unduly interfere with Seller's production schedules and on condition that Buyer submits in advance complete details of the inspection it



desires and Seller grants consent. The Goods sold hereunder may not be rejected whether inspection occurs at Buyer's or Seller's plant on the basis of destructive testing unless agreed to in writing by Seller.

(c) Tools and Equipment. All patterns, tools or equipment, if any, furnished Seller by Buyer will be stored by Seller with all reasonable care without liability for their loss caused by theft, fire, flood, acts of God, or other causes beyond Seller's reasonable control.

13. GOVERNING LAW. These terms and conditions and any sale hereunder shall be governed by the laws of the State of Illinois and Buyer submits itself to the jurisdiction of the courts of the State of Illinois regarding any disputes arising from this transaction.

WARNING: DO NOT MODIFY OR ALTER PRODUCTS - The modification and/or alterations of any component or assembly may cause serious injury or death.