



General Terms and Conditions of Sale

1 Order Acceptance: All sales and contracts for sale of all products ("Products") by Solberg Mfg., Inc., doing business as Solberg Manufacturing, Inc., an Illinois Corporation; Solberg International, Ltd., an Illinois Corporation, each having a place of business at 1151 West Ardmore Avenue, Itasca Illinois 60143, US; or affiliates of Solberg Manufacturing or Solberg International, hereinafter collectively and individually Solberg, to purchaser and their affiliates, herein after collectively and individually Purchaser are subject to the Purchaser's consent and agreement to these general terms and conditions of sale, hereinafter Conditions. Solberg hereby objects to any terms or conditions contained in any purchase order or other communication of any kind from the Purchaser that is conflicting, inconsistent or additional to this document. No waiver, alteration, addition or modification of the Conditions shall be valid unless made in writing and signed by an authorized representative of Solberg. The Conditions constitute the entire agreement between Solberg and Purchaser, collectively Parties and individually Party, and supersede all prior or contemporaneous oral or written understandings, negotiations, warranties, or agreements of any kind. In the case of a conflict between the Conditions and a written contract signed by the Parties, the following order of precedence shall apply: (1) a fully executed contract between the Parties such as a supply agreement; and (2) Solberg Conditions. Solberg reserves the right to modify the Conditions unilaterally without notice. An affiliate, hereinafter Affiliate, with respect to a Person is any other Person, either directly or indirectly, controlling, controlled by or under common control with such Person. Person means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a limited liability company or a governmental entity (or any department, agency or political subdivision thereof).

2 Lead Time and Delivery: Solberg provides manufacturing lead times and does not guarantee delivery dates. All lead times mentioned in any quotation or order confirmation or other media are good faith approximations only and do not represent any binding obligation with Purchaser. Lead times are calculated from the latest date of the following events: (1) the date the order is confirmed by Solberg, (2) the date the Purchaser's final drawing approval is received by Solberg or (3) the date down payments or deposits are received from the Purchaser.

Unless otherwise expressly agreed to in writing by Solberg, delivery will occur when loaded on the Purchaser's vehicle or handed over to a carrier for transport of the Products to the Purchaser's designated location.

3 Pricing and Quotations: All published and quoted prices are free of taxes, freight, duties and any other charges ("Additional Fees") and Purchaser is exclusively liable for any Additional Fees. Solberg prices are subject to change at any time without notice or obligation to honor published or quoted pricing. Solberg reserves the right to withdraw or amend a quotation at any time prior to confirmation of an order. All pricing information provided is based on the release quantities outlined within the body of the quotation. Purchases at quantities less than the minimum release quantity are subject to higher per unit cost and an additional set-up charge. Open and unshipped orders are subject to surcharges and fees due to extraordinary circumstances.

4 Technical Information and Samples: All statements, technical information and recommendations concerning the Products sold or samples provided by Solberg are based upon information believed to be reliable, but do not constitute a guarantee or warranty. It is the sole responsibility of Purchaser to independently determine, prior to use, that Products are suitable for the purposes of Purchaser.

5 Payment Terms, Penalties, Deductions, Setoffs and Rebates: Any extension of credit allowed to Purchaser may be changed or withdrawn at any time. Unless otherwise expressly agreed to in writing by the Parties, payment of invoices shall be in the invoiced currency within thirty (30) days from the date of invoice without any setoff or discount being applied. Solberg reserves the right to determine, set and collect down payments or deposits for any purchases at the time an order is placed. Solberg does not accept any penalties, deductions, setoffs or rebates as a condition of supply.

6 Confidentiality: Purchaser shall not disclose to any third party technical data, know-how, trade secrets, drawings, models, designs, engineering calculations, specifications, assembly drawings, business plans, customer information, employee information, customer accounts, pricing, or information observable or knowable from the aforesaid, hereinafter Confidential Information, received from or made available from or obtained from or made knowable from, ACQUIRED FROM, Solberg

in connection with a sale, proposed sale, transaction or proposed transaction with Purchaser, and shall use this information exclusively in fulfilling its obligations and commitments towards Solberg.

Purchaser's obligations, covenants, and/or promises with respect to any portion of the Confidential Information ACQUIRED FROM Solberg shall terminate when the Purchaser can establish that such portion of the Confidential Information (a) was in the public domain at the time it was ACQUIRED FROM Solberg by Purchaser; (b) entered the public domain subsequent to the time it was ACQUIRED FROM Solberg by the Purchaser through no fault of the Purchaser; (c) was in the Purchaser's possession free of any obligation of confidence to Solberg at the time ACQUIRED FROM Solberg; (d) was rightfully obtained by the Purchaser from a third party under no obligation of confidentiality to Solberg; (e) required to be disclosed by operation of law, in which case Solberg shall be given advance notice of the disclosure and an opportunity as provided by law to prevent such disclosure.

7 Order Changes, Cancellations and Returns: Should Purchaser choose to change or cancel orders, Purchaser is liable for any and all costs and expenses incurred by Solberg for work completed, services rendered, or materials procured to satisfy a Purchaser's purchase order requirements or release schedule. Most standard products can be returned subject to the conditions and procedures listed on Solberg's Return Authorization form. Purchaser is responsible for all shipping related charges. Credit will be issued on account and will be valid for 120 days

8 Limited Warranty: Subject to the conditions and limitations hereinafter stated, Solberg warrants its products to be free from defects in material and workmanship for a period of 12 months after delivery and said warranty is limited to repair of the defect, replacement of the product or part thereof or prorated credit towards the value of the product at Solberg's discretion. This Warranty is only valid for the original Purchaser of the product and is not transferable. Proof of purchase may be required to obtain warranty performance. If Solberg accepts a warranty claim, Solberg will assume the transfer costs involved in returning it to Solberg including reasonable costs of installation or removal whenever appropriate but not to exceed the value of the product itself. Notification of defect on parts or product must be given in writing to Solberg within 14 days after receipt of goods or in the case of latent defects as soon as discovered but no later than 12 months from delivery. This warranty does not extend to damages to the product caused during transport, and Purchaser is responsible for insuring the goods during transport. This warranty does not cover normal wear and tear, damage caused by misuse, abuse, neglect, alterations or repairs by unauthorized persons. This warranty is not applicable to prototypes or sample parts. The warranty is void if the products are purchased from a non-authorized reseller.

The warranty herein provided is exclusive and in lieu of all other warranties whether statutory, expressed or implied, including all warranties of merchantability and fitness for a particular purpose, and all warranties arising from course of dealing or usage of trade. All other warranties, except the herein Limited Warranty, are expressly disclaimed by Solberg.

When the Purchaser's order is executed according to Purchaser's designs, drawings, technical specifications, models or samples submitted by Purchaser, Purchaser bears full responsibility for warranty claims arising from the Product's failure and Solberg's Limited Warranty does not apply.

9 Limitation of Liability: Solberg is not responsible and will not be held liable in contract or in tort or otherwise for any damages, costs, expenses or claims for injury or damage related to its Products or services including without limitation, for any special, incidental, indirect or consequential damages whatsoever. The sole liability of Solberg and remedy against Solberg related to its Products or services shall be performance of the Limited Warranty provisions set forth above. The remedies of Purchaser herein are exclusive to the Limited Warranty provisions above, and the total cumulative liability of Solberg shall in no event exceed the dollar value afforded by the Limited Warranty provisions set forth above.

10 Indemnification: Purchaser shall indemnify, hold harmless, defend and pay for the defense of and mounted by Solberg and its employees, agents, and related Persons against any and all demands, claims, actions, losses, liabilities, damages, and expenses, including court costs and attorneys' fees (together, "Damages"), relating in any way to the manufacturing, sale, processing, distribution or use of the Products if the Products have been subjected to further processing, assembly or



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work by Purchaser following shipment of Products; or relating in way to a breach of this agreement by Purchaser.

In case the Purchaser's order is to be executed according to drawings, models or samples submitted by purchaser, then purchaser warrants that no rights are being infringed upon by the Products thus manufactured or the method used to manufacture said Products and Purchaser shall solely be responsible for any defects, failures or damages caused by Solberg's adherence to Purchaser's drawings, models, samples or specifications. If a third party invokes property rights regarding said drawings, models, samples, specifications, or Product or related method of manufacture of said Product, Solberg is entitled to cease production or delivery without obligation on Solberg's part to verify the legal position of said third party and to invoice all expenses incurred including any loss of profits to Purchaser. Purchaser bears all responsibility for any damages resulting from any infringement of rights of third parties relating to Products thus manufactured and methods used to manufacture said Products and agrees to indemnify, hold harmless, defend and pay for the defense of and mounted by SOLBERG and its employees, affiliates, agents, and related Persons against any and all demands, claims, actions, losses, liabilities, damages, and expenses, including court costs and attorneys' fees (together, "**Damages**"), relating to the Product thus manufactured or method used to manufacture said Product.

11 Force Majeure: Neither Party shall be liable for its failure to perform any of its obligations hereunder during any period in which such performance is delayed or made impossible by force majeure included but not limited to fire, flood, war, mechanical breakdown, failures of carriers, embargo, riot, labor unrest (including but not limited to strike, go-slow, work to rule), the intervention of any governmental authority, or any causes or contingencies beyond a Party's reasonable control, provided that the Party who cannot perform as a result of such force majeure notifies the other Party of the delay and the reasons thereof.

12 Miscellaneous: The laws of the United States and to the extent applicable the laws of the state of Illinois, excluding choice of law provisions of the United States or the State of Illinois, shall govern the enforcement of this Agreement. Each party consents to the exclusive personal jurisdiction and venue for any claims and disputes concerning this agreement be the Federal Courts of Northern District of Illinois, United States, if federal subject matter jurisdiction exists over the claim or dispute, and the Circuit Court of Cook County Illinois, United States if federal subject matter jurisdiction does not exist. The parties acknowledge that the aforesaid courts shall have exclusive subject matter jurisdiction of this agreement and specifically waive any claims that they may have regarding jurisdiction or venue or forum.

This Agreement is the complete and exclusive statement of the agreement between the Parties and supersedes all prior written and oral communications and agreements relating to the subject matter hereof. Any notice required to be given under this Agreement shall be deemed received upon personal delivery or 10 days after mailing if sent by registered or certified mail to the address of the Parties.

In the event of invalidity of any provision of this Agreement, the Parties agree that such invalidity shall not affect the validity of the remaining provisions of this Agreement, and further agree to substitute for the invalid provision a provision that most closely approximates the intent and economic effect of the invalid provision.

This Agreement may only be amended or modified in a writing signed by an authorized officer of each Party.