

HEINRICHS USA, LLC.

TERMS AND CONDITIONS OF SALE

Every product ("Product") sold by or through HEINRICHS USA, LLC ("HEINRICHS") to a buyer ("Buyer") is sold subject to the following terms and conditions ("Terms and Conditions"):

1. **Priority of Terms and Conditions.** HEINRICHS hereby notifies Buyer in advance that HEINRICHS objects to any terms and conditions in Buyer's purchase order or other document that are additional to or different from these Terms and Conditions, whether or not they would materially alter this contract. If a contract between Buyer and HEINRICHS is established through performance or other conduct, the terms and conditions of that contract shall not be deemed to consist only of terms and conditions as to which the parties' writings agree, but rather these Terms and Conditions shall be a part of that contract and shall prevail over any conflicting or different terms and conditions of any other document forming a part of the contract.

2. **Price and Order Acceptance.** Prices are "ex works" (INCOTERMS 2000 Edition) HEINRICHS' US facility and do not include packing or shipping charges. Buyer is responsible for, and will indemnify HEINRICHS against, all applicable duties, levies, governmental charges and taxes, including without limitation sales, use, excise, V.A.T., withholding and property taxes, relating to the purchase of a Product or its sale or use. All such charges and taxes are in addition to the purchase price and may be invoiced by HEINRICHS to Buyer at any time. Prior to acceptance, the price quoted for a Product is subject to change. Once accepted by HEINRICHS, orders may not be cancelled, except with HEINRICHS' consent and upon terms that will indemnify HEINRICHS against loss or damage arising from the cancellation.

3. **Payment and Security Interest.** Payment is due in accordance with any payment schedule agreed to in writing by the parties, or if no such schedule has been agreed in writing, then within 30 days after the date of HEINRICHS' invoice to Buyer. A 2% cash discount applies for payments made within 14 days after invoice date. Commencing 30 days after invoice date, interest at the rate of 1½% per month may be added to any unpaid portion of the purchase price. All payments will be made without setoff or reduction of any kind for any reason. Restrictive endorsements or other statements on checks will not apply to HEINRICHS. In order to secure payment of the purchase price and the performance of Buyer's other obligations to HEINRICHS, Buyer by its order grants HEINRICHS a purchase money security interest in each Product and, upon request by HEINRICHS, Buyer promptly will execute any additional documents required by HEINRICHS to perfect this security interest.

4. **Shipping.** Any shipping schedule provided by HEINRICHS to Buyer is HEINRICHS' then current estimate of delivery dates. HEINRICHS will use reasonable efforts to deliver the Products in accordance with that schedule, but does not warrant or guarantee any particular delivery dates. HEINRICHS shall not be liable for any damages, including indirect, incidental, special or consequential damages, in connection with the delivery or non-delivery of any Products, including but not limited to damages incurred during shipment or caused by a delay in delivery. Buyer's acceptance of any Product constitutes a waiver of any claim for delay. HEINRICHS shall have the right to select the carrier for delivery of a Product unless otherwise agreed to by HEINRICHS in writing. Shipments will be made "ex works" HEINRICHS' facility. The carrier shall be deemed to be Buyer's agent and Buyer bears all risk of loss or damage during transit.

5. **Limited Warranty.** HEINRICHS warrants to the original Buyer only that HEINRICHS' products will be free from defects in material and workmanship for a period of 12 months after the date of shipment to the Buyer. HEINRICHS warrants to the original Buyer only short term corrosion protection of Products without a special surface treatment (blank parts). Therefore, we exclude the extension of warranty periods. HEINRICHS MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PRODUCTS, AND HEINRICHS SPECIFICALLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND FREEDOM FROM INFRINGEMENT CLAIMS. Warranty claims must be made in writing during the warranty period to HEINRICHS at the following address: HEINRICHS USA LLC, 1020 Abor Tech Drive, Suite J, Hebron, KY 41048, USA, Attn.: Warranty Claims Manager. Products alleged to be defective must be returned during the warranty period to HEINRICHS at this address. HEINRICHS, at its option, will repair or replace any Product found to be defective in materials or workmanship. The foregoing remedy is exclusive and is granted in lieu of all other remedies. IN NO EVENT WILL HEINRICHS BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OF ANY KIND. This warranty does not cover damage resulting from ordinary wear and tear, misuse, neglect, accident, alterations, failure to follow instructions, fire, or acts of God. Shipping costs to and from HEINRICHS are not covered by this warranty and shall be paid by Buyer.

6. **No Other Representations.** Buyer acknowledges and agrees that no employee, officer, agent or representative of HEINRICHS has the authority to make any representations, statements or promises in addition to or in any way different than those contained herein, and that Buyer is not entering into this contract or transaction in reliance upon any representation, statement or promise of HEINRICHS except as expressly stated herein.

7. **Limitation of Remedies and Liabilities.** Buyer's sole and exclusive remedy pursuant to any claim of any kind against HEINRICHS with respect to a Product shall be (a) the repair or replacement of such Product, or (b) at HEINRICHS' sole option, a refund of the purchase price paid by Buyer to HEINRICHS for such Product. For any claim of any kind against HEINRICHS concerning a Product (including, but not limited to, any claim that HEINRICHS has failed to satisfy its repair/replacement obligation under this paragraph), Buyer shall be limited (subject to the exclusions set forth below) to recovering only its direct damages up to but not in excess of the purchase price paid by Buyer to

HEINRICHS for such Product. HEINRICHS SHALL NOT BE LIABLE TO BUYER, ITS CUSTOMERS, EMPLOYEES OR AGENTS, UNDER ANY CLAIM OR CIRCUMSTANCES (INCLUDING WITHOUT LIMITATION ANY CIRCUMSTANCE INVOLVING A FINDING THAT A WARRANTY OR REMEDY HAS FAILED OF ITS ESSENTIAL PURPOSE), WHETHER THE CLAIM SOUNDS IN CONTRACT, TORT OR OTHER LEGAL THEORY, FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUE, LOST SALES, LOST GOODWILL OR LOSS OF USE OF ANY PRODUCT.

8. **Inspection and Acceptance.** Buyer promptly will inspect each Product upon receipt. Unless Buyer timely notifies HEINRICHS in writing that Buyer rejects the Product and sets forth with specificity the reasons for such rejection, a Product shall be deemed accepted by Buyer upon expiration of 8 days after delivery of the Product to Buyer. Acceptance arising from a failure to timely reject a Product shall be final.

9. **Safe Operation.** Buyer shall use, and require all persons operating a Product to use, any and all proper and safe operating procedures set forth in the operator's manual and instruction sheets relating to the Product. Buyer shall not remove or modify any safety device or warning sign installed on or attached to a Product.

10. **Indemnification.** Buyer shall defend, indemnify and hold harmless HEINRICHS, its affiliates and their respective officers, agents and employees, from and against all loss, liability, claim, action or expense, including reasonable attorneys' fees, by reason of bodily injury, including death, and property damage, sustained by any person or persons, arising from or attributed to Buyer's use of a Product.

11. **Force Majeure.** HEINRICHS shall not be responsible for late, partial, or non-delivery of a Product due to shipment delays. Additionally, HEINRICHS shall not be responsible for failure of or delay in delivery of a Product hereunder if such failure or delay is due to an act of God or public enemy, war, terrorism, government acts or regulations, fire, flood, embargo, quarantine, epidemic, labor strike or work stoppage by workers, inability to acquire raw materials, accident, unusually severe weather or any other cause similar to any of the foregoing that is beyond HEINRICHS' control.

12. **Relationship of Parties.** HEINRICHS and Buyer are independent contractors to one another, and nothing herein shall be deemed to create an agency, partnership or joint venture between the parties. Nothing in these Terms and Conditions shall be construed as creating or establishing the relationship of employer and employee between Buyer and either HEINRICHS or any employee or agent of HEINRICHS.

13. **Governing Law, Forum Selection and Limitation Period.** This contract, the construction of this contract, all rights and obligations between the parties to this contract, and any and all claims arising out of or relating to the subject matter of this contract (including all tort claims), shall be governed by the laws of the State of Kentucky, USA, without regard to its conflict of law principles. The applicability of the UN Convention on the International Sale of Goods is hereby expressly excluded. Any litigation or other legal proceeding of any kind based upon or in any way related to this contract, its subject matter, or the rights or obligations of the parties to this contract, shall be brought exclusively in an appropriate court of competent jurisdiction (state or federal) located in Boone County, Kentucky USA (if the action is brought in state court) or in the Eastern District of Kentucky, U.S.A. (if the action is brought in federal court); provided that nothing contained herein will prevent HEINRICHS from bringing any action or exercising any rights against Buyer or its property within any other state or nation. Any such proceeding must be brought within two years from the date on which the claim accrued. Any action brought in such courts shall not be transferred or removed to any other court or tribunal. The parties consent to the exercise of jurisdiction and venue over them by the above-named courts as their freely negotiated choice of forum for all actions subject to this forum selection clause, and irrevocably waive any objection to the personal and subject matter jurisdiction and venue of the above-named courts. The parties waive trial by jury in any dispute arising hereunder.

14. **Severability of Terms.** The provisions of these Terms and Conditions shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of these Terms and Conditions, or the application thereof to any person or any circumstance, is invalid or unenforceable, (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, and (ii) the remainder of these Terms and Conditions and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.