

M-B COMPANIES, INC.
TERMS AND CONDITION OF PURCHASE

1. **Acceptance and Governing Provisions:** This order is not an acceptance of any offer to sell but is an Offer to Purchase which may be accepted only by execution of the acknowledgement copy hereof by Seller and return of such copy to M-B Companies, Inc. of Wisconsin ("M-B Companies") within ten (10) days from the date of this order set forth on the reverse side hereof, or by other expression of acceptance, including shipment hereunder, within such ten (10) day period. Upon acceptance, this order shall constitute the entire agreement between the parties (except for any additional warranties given by Seller) superseding any and all previous or contemporaneous communications and negotiations. Acceptance of this Offer to Purchase is expressly conditioned upon Seller's assent to these Terms and Conditions. Any attempt by Seller to vary in any manner the exact terms and conditions herein in any acceptance, acknowledgment, confirmation or otherwise containing additional, inconsistent or different terms and conditions is hereby expressly objected to and rejected. Unless specifically agreed to in writing by M-B Companies, signed by duly authorized personnel of M-B Companies, no additional or different term or provision (except additional warranties given by Seller) of any quotation, acknowledgment, invoice or other form supplied by Seller shall become part of the contract notwithstanding M-B Companies' failure to specifically object to such term or provision.
 2. **Governing Law and Forum:** The agreement of sale resulting from Seller's acceptance of this order shall be construed and interpreted in accordance with the internal laws of the State of Wisconsin. Any controversy or claim arising out of or relating to this agreement of sale, the acceptance of it and any alleged breach thereof shall be considered to be a controversy or claim arising out of a contract made in the State of Wisconsin and shall be governed by the laws thereof. The proper forum for deciding any disputes shall be the Circuit Court of Calumet County, State of Wisconsin.
 3. **Price, Delivery and Charges:** Delivery must be made in the quantities and within the times (which is of the essence), at the prices, and in accordance with the shipping and routing instructions specified by M-B Companies, except that M-B Companies shall receive the benefit of any price reductions by Seller made effective after receipt of this order but before delivery. Failure of Seller to comply with such requirements shall entitle M-B Companies, in addition to any other rights or remedies, to cancel this order and be relieved of all liability for any undelivered portion. Any failure by M-B Companies to exercise its remedies with respect to any delivery shall not be deemed to constitute a waiver with respect to subsequent deliveries. Seller shall not unreasonably anticipate delivery by purchasing materials or manufacturing quantities in excess of what is reasonably required to meet M-B Companies' delivery schedule. Items received in advance of M-B Companies' delivery schedule may, at M-B Companies' option, be returned at Seller's expense or be accepted and payment withheld until the scheduled delivery date. Seller warrants that the price charged for goods or services covered by this order is the lowest price charged by Seller to buyers of a class similar to M-B Companies, under conditions similar to those contained in this order, and that prices comply with applicable government regulations in effect at the time of quotation, sale or delivery. M-B Companies will not be liable for any packing, cartage, shipping or other charges or any tax duties, customs or other assessments in connection with this purchase or delivery except such as are expressly set forth in the order. The period of any cash discount offered by Seller will begin at the time the goods or invoices are received (whichever is later) and not from the date appearing on the invoice.
 4. **Invoices:** A separate invoice in duplicate shall be rendered for each shipment made on an order. All invoices, shipping memoranda, and bills of lading shall be dated and mailed on the day of actual shipment of the goods. No invoice shall be delivered by the Seller to any employee of M-B Companies. All invoices shall be mailed to M-B Companies at its general office in New Holstein, Wisconsin.
 5. **Packaging; Delivery Documentation:** Unless otherwise instructed by M-B Companies, Seller shall use best commercial packaging practices. Every package, bill of lading, shipping memorandum and invoice must be marked with the M-B Companies purchase order number. Two itemized delivery tickets bearing the M-B Companies purchase order number must be left with the goods.
 6. **Inspection:** All goods purchased hereunder shall be subject to inspection and testing by M-B Companies at any reasonable time and from time to time before, during or after manufacture and delivery. Notwithstanding any payment that may be made, no goods shall be deemed to be accepted until M-B Companies has had a reasonable opportunity to inspect them. Risk of loss shall be upon Seller until conforming goods are delivered to and have been inspected and accepted by M-B Companies. If any inspection or test is to be made on the premises of Seller, Seller without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. M-B Companies' inspection shall not constitute a waiver of, or limit or impair or be used as a defense to, the right of subsequent rejection by reason of any undiscovered or latent defect.
 7. **Warranties:** In addition to its standard warranty and/or service guarantee, which shall be supplied in written form for each delivery, Seller warrants that all services shall be performed in a good and workmanlike manner and that all goods supplied hereunder shall:
 - (a) Be free and clear of all liens and encumbrances; title thereto being in the Seller;
 - (b) Be free from any defects in design, material or workmanship and of good and merchantable quality;
 - (c) Conform strictly to M-B Companies' specifications or the sample approved by M-B Companies as the case may be;
 - (d) Be fit for the known purposes for which purchased hereunder;
 - (e) Comply and have been produced, processed, delivered and sold in conformity with all applicable Federal, State or other laws, administrative regulations and orders; and
 - (f) Be Provided with complete installation and operation instructions.
- Except for goods supplied in accordance with M-B Companies' design, Seller also warrants that this sale or use of goods will not infringe or contribute to infringement of any patent, copyright or trademark in the United States or elsewhere. The foregoing warranties shall survive inspection, delivery, use and payment and shall run in favor of M-B Companies, its successors and assigns and its customers whether direct or indirect.
8. **Remedies:** In addition to all rights and remedies provided by law, if any goods ordered hereunder shall be found to be unsatisfactory, defective or inferior in quality or not to conform to M-B Companies' specifications or any other requirements hereof (including but not limited to Seller's warranties), M-B Companies may, at its option, retain such goods at an adjusted price, hold such goods at Seller's risk and expense pending Seller's specific instructions, or return them to Seller for replacement, credit or refund, as M-B Companies shall direct. M-B Companies shall be reimbursed by Seller for all costs and expenses incurred in connection with the storage, handling, packing, replacing, installing, and/or transporting of any such defective or otherwise nonconforming goods; and Seller shall assume all risk of loss or damage in transit to goods returned by M-B Companies, or its dealers, pursuant hereto.
 9. **Indemnification by Seller:** Seller shall indemnify M-B Companies, its successors, assigns and customers (whether direct or indirect), against any and all losses, damages and expenses (including attorneys fees and other costs of defending any action) which they, or any of them, may sustain or incur as a result of any claim of negligence, breach of warranty, strict liability in tort or based on any other theory of law in connection with the use of the goods furnished hereunder or as a result of any claim that the goods or services furnished by Seller fail to conform to or comply with any Federal, State, or local laws, regulations or standards. Except for goods ordered in accordance with M-B Companies' design or specifications, Seller shall indemnify M-B Companies, its successors, assigns and customers (whether direct or indirect), against any and all losses, damages and expenses (including attorneys fees and other costs of defending any infringement action), which they or any of them may sustain or incur in any action alleging that the sale or use of the goods ordered hereunder infringe or contribute to the infringement of any patent, copyright or trademark in the United States or elsewhere.
 10. **Compliance with Law:** Seller shall comply with all applicable federal, state and local laws, rules and regulations, and all executive orders, in connection with its performance of this order.
 11. **Fair Labor Standards/Nondiscrimination:** Seller hereby certifies that all goods furnished hereunder have been produced in compliance with all applicable requirements of the Fair Labor Standards Act of 1938, as amended, and or regulations and orders of the Administrator of the Wage and Hour Division, and in accordance with all applicable State and Federal Laws and regulations governing general conditions for labor employed in the production of such goods.
 12. **OSHA Certification:** Seller, in accepting M-B Companies' order, certifies that it is in compliance with the Occupational Safety and Health Standards Act of 1970 (OSHA) and the orders, rules and regulations issued pursuant thereto as in effect on the date of such acceptance.
 13. **M-B Companies Designs:** All designs, sketches, blueprints, patterns, dies, tools and/or special appliances furnished or paid for by M-B Companies shall be held by Seller at Seller's risk and expense, insured by Seller against damage or loss, and shall be replaced by Seller if lost or destroyed. Such articles shall remain M-B Companies' property and be subject to M-B Companies' disposition at any time. No use or disclosure of any such items supplied by M-B Companies, or any design or production techniques revealed thereby shall be made without the prior written consent of M-B Companies.

14. **Insurance:** Seller shall maintain insurance coverage as required by applicable law or as reasonably requested by M-B Companies providing appropriate protections for its liabilities hereunder. Such insurance coverage shall include, at a minimum, products liability coverage in an amount not less than \$5 million, on an occurrence basis, with a deductible of not more than \$200,000. Seller shall furnish M-B Companies a certificate evidencing such insurance coverage annually or within ten days of any request for such certificate by M-B Companies.
15. **Assignment:** Seller shall not assign or subcontract the work done hereunder without the written consent of M-B Companies; but this provision shall not restrict Seller in the procurement of component parts or materials.
16. **Changes:** No modification of this order may be made except by means of a formal written change order issued by M-B Companies' purchasing department. M-B Companies reserves the right to modify this order (including without limitation the specifications, quantities and delivery dates) and any difference in the price or time for performance resulting therefrom shall be equitably adjusted. M-B Companies may, at its option, terminate this order if agreement on an equitable adjustment cannot be reached. Claims for equitable adjustment must be asserted by Seller within ten (10) days of receipt of M-B Companies' change order.
17. **Cancellation by M-B Companies:** M-B Companies shall have the right to cancel this order for its convenience and/or without cause and M-B Companies' liability for cancellation of this order for its convenience and/or without cause shall be limited to Seller's actual cost for work and materials applicable solely to this order which shall have been expended when notice of cancellation shall be received by Seller. In addition, M-B Companies, may at its option, cancel this order without liability to Seller (except for conforming shipments previously accepted by M-B Companies) in the event Seller shall cease to exist or become insolvent or the subject of bankruptcy or insolvency proceedings or shall commit a breach in the performance of any part of its obligation hereunder.
18. **Limitation of Liability:** M-B Companies shall not be liable to Seller for any incidental, consequential, special or punitive damages. In no event shall M-B Companies be liable for damages which exceed the purchase price of the products ordered hereunder.
19. **Entire Agreement:** The parties agree that there are no understandings, agreements or representations, express or implied, not specified in these Terms and Conditions, and that this instrument contains the entire agreement between Seller and M-B Companies, and that, consequently, no course of prior dealings, and no usage of trade shall be relevant to supplement or explain any of the terms used in these Terms and Conditions.
20. **U.S. Government Contracts:** With respect to any order pertaining to a U.S. Government contract or subcontract, unless otherwise exempt, the following clauses are incorporated herein by reference: Equal Opportunity Clause, 41 C.F.R. § 60-1.4; Disabled Veterans and Veterans of the Vietnam Era, 41 C.F.R., § 60-250.5; Individuals with Disabilities, 41 C.F.R. § 60-741.5. In addition, unless exempt, Seller shall comply with all affirmative action requirements and any other requirements set forth in 41 C.F.R. Chapter 60 and all applicable Executive Orders pertaining to equal opportunity.