GENERAL TERMS AND CONDITIONS OF SALE



1. ACCEPTANCE

- (a) Buyer's order may be placed by submission of Buyer's purchase order. The preprinted provisions of any such purchase order or attachments thereto shall not constitute a part of the contract of sale as all orders shall be accepted only upon the terms and conditions contained herein. If any of the terms and conditions hereof are not acceptable to Buyer, Seller must be notified on the face of Buyer's purchase order by specific statement not part of any preprinted or standard term or by separate letter which specifies in detail the exact nature and extent of such unacceptability and no such terms or conditions shall constitute a part of this contract unless specifically accepted in writing by an officer of Seller on Seller's acknowledgement of order.
- (b) This quotation, unless extended in writing by Seller, shall lapse automatically upon the expiration of a period of 30 days after its date of submission set forth on the face hereto unless it has been previously revoked by the Seller.
- 2. TAXES AND FEES: Prices stated herein do not include any manufacturers, sales, use or other excise taxes or duties, and the amount of any thereof which Seller is required to pay or collect will be invoiced to Buyer. Buyer shall pay all such taxes and duties arising by reason of this Agreement and all other taxes and duties of whatever nature assessed upon the goods and/or services described on the front side hereof (here inafter referred to as "The Articles"). Buyer shall also pay all collection fees and reasonable attorney's fees incurred by Seller in collecting payment of the purchase price and any other amounts for which Buyer is liable under the terms and conditions of this Agreement.
- 3. WARRANTY, DISCLAIMER, LIMITATION OF LIABILITY AND REMEDY: Seller warrants the title of the Articles and also warrants the Articles to be free of defects in material and workmanship at the inception of the applicable period specified below. SELLER DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. UNDER NO CIRCUMSTANCES WILL THE SELLER BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS, DAMAGE OR EXPENSE OF ANY KIND, INCLUDING LOSS OF PROFITS, ARISING IN CONNECTION WITH THIS AGREEMENT OR WITH THE USE OF OR INABILITY TO USE THE ARTICLES FURNISHED UNDER THIS AGREEMENT. THE SELLER'S MAXIMUM LIABILTY SHALL NOT EXCEED, AND BUYER'S REMEDY IS LIMITED TO EITHER: (1) REPAIR OR REPLACEMENT OF THE DEFECTIVE ARTICLES OR AT SELLER'S OPTION. (2) RETURN OF THE ARTICLES AND REFUND OF THE PURCHASE PRICE; AND SUCH REMEDY SHALL BE BUYER'S ENTIRE AND EXCLUSIVE REMEDY. If within one year from date Article(s) is/are put into service, or if Article(s) is/are installed by the seller, or if the work of installation is supervised by a representative of Seller, then within one year from completion of such installation, but in any event not to exceed 18 months from the date of shipment, Buyer discovers that the Articles(s) is/are not as warranted and promptly notifies the Seller, Seller will be obligated and shall have the right to remedy such failure by, at the Seller's option, making adjustments, repairs, replacements, or alternatively, by accepting return of the Articles(s) and giving a refund of the purchase price. If it is determined that Articles(s) need to be returned to Jorgensen for such adjustments, repairs, replacements or refunds, Articles(s) shall be returned to Jorgensen, freight pre-paid. If notification by the Buyer does not occur within the aforementioned time frames, all aforementioned warranty provisions will no longer be available to Buyer. Seller shall have the right of disposal of parts replaced by it hereunder. The Seller's liability to the Buyer, whether in contract or in tort, arising out of warranties, representations, instructions or defects from any cause shall be limited exclusively to correcting the equipment and under the conditions as aforesaid. Seller receives warranties on certain components purchased by it and its obligation with respect to such components shall be limited to the extent of the warranties so received by it.

No warranty is made with respect to failures not reported to the Seller within the warranty period, failures or damage due to misapplication, lack of proper maintenance, abuse, improper installation or abnormal conditions of operation, failures due to operation in an improper manner, any articles which have been altered by anyone other than an authorized representative of Seller or any Articles damaged without the fault of the Seller. The Seller shall not be liable for any expenses incurred by the Buyer in an attempt to correct any allegedly defective piece of Articles. The Articles are specifically designed and manufactured for and will be sold to the Buyer for the sole purpose of transporting and conveying raw materials, work in process and finished goods of the Buyer. Buyer does hereby agree to exonerate, indemnify, defend and hold the Seller harmless of and from all loss, liability and damages which may be suffered by or asserted against the Seller, and all costs and expenses which the Seller may incur because of any claim or claims which may be asserted against the Seller by any person for property damage, injury or death sustained using any of the Articles in a manner that is not in strict compliance with all applicable operating manuals, instructions and warnings, including without limitation, riding or attempting to ride upon the Articles.

- 4. PATENT INDEMNITY: A. In the event any Article furnished under this Agreement is claimed to infringe any United States patent issued at the time Buyer's order is accepted, Seller agrees, at its option: (1) to procure for Buyer the right to use the Article, or (2) to modify or replace the Article so as to avoid infringement, or (3) to accept redelivery of the Article and reimburse Buyer for the purchase price and any reasonable transportation expenses incurred by Buyer. Should any litigation be instituted against Buyer based on a claim that any Article in the condition received from Seller infringes any United States patent, Seller will undertake the defense thereof on Buyer's behalf and pay any damages and costs awarded therein against Buyer, provided Seller is given prompt written notice and is furnished with copies of all demands, process and pleadings; and provided Buyer cooperates fully in giving Seller authority, information and assistance at Seller's expense for such defense, as well as control over the defense and any negotiations with regard to settlement.
- B. THE FOREGOING REPRESENTS SELLER'S ENTIRE AND EXCLUSIVE OBLIGATION WITH RESPECT TO ANY CHARGE OF PATENT INFRINGEMENT AND IS IN LIEU OF ANY STATUTORY WARRANTY RELATING TO INFRINGEMENT. SELLER SHALL HAVE NO RESPONSIBILITY INSOFAR AS ANY ARTICLE IS MODIFIED BY BUYER OR IS MADE OR MODIFIED BY SELLER IN ACCORDANCE WITH BUYER'S ORDER AND BUYER SHALL INDEMNIFY SELLER IN ACCORDANCE WITH THE INDEMNITY IN PARAGRAPH A ABOVE FOR ANY CLAIM WHICH ARISES OUT OF SELLER'S COMPLIANCE WITH BUYER'S SPECIFICATIONS. SELLER SHALL ALSO HAVE NO RESPONSIBILITY WITH REGARD TO ANY SETTLEMENT, ADMISSION OR PROMISE MADE BY BUYER WITHOUT SELLER'S PRIOR WRITTEN CONSENT, NOR SHALL SELLER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING LOSS OF PROFITS, CLAIMED TO HAVE BEEN SUSTAINED BY BUYER OR ANY USER OF AN ARTICLE ARISING OUT OF ANY CLAIM OF INFRINGEMENT.
- C. Seller may be entitled to indemnity from certain of its suppliers, and the rights and options vested in Seller shall extend to such suppliers and may be exercised by them.
- 5. CERTIFICATION: Seller hereby certifies that the Articles were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of the Regulations and Orders of the United States Department of Labor Issued under Section 14 thereof.
- 6. TITLE AND INSURANCE: Security title and right of possession of the Articles or any replacements shall remain in Company, regardless of mode of attachment to realty or other property until the full price (including deferred payments and any notes or renewals or extensions) has been paid in cash. Buyer agrees to do all acts necessary to perfect and maintain said title and right in Company and Buyer authorizes Seller to file any UCC financing statements to protect Seller's interest in the Articles. Upon delivery to the

carrier of any of the Articles, beneficial title and all risk of loss or damage shall pass to Buyer, and Buyer shall procure and maintain for the benefit of Company and Buyer, as their interests may appear, adequate insurance on the Articles against damage by fire or other casualty.

- 7. ENTIRE AGREEMENT: This writing is intended by the parties to be a final expression of their agreement and is intended also as a complete and exclusive statement of the terms and conditions thereof.
- 8. CHANGES: No waiver or modification of any of the provisions hereof shall be binding upon Seller unless in writing and signed by an authorized representative of Seller. Changes after receipt of order or approved drawings which requires changes from such order or approved drawings will require charges to cover materials, labor, engineering and administrative costs.
- 9. NOTICE: Any notice relating to this Agreement shall be considered given if and when deposited in the United States mail, postage prepaid, addressed to the other party at the address given herein.
- 10. ACCEPTANCE AND FULFILLMENT OF ORDERS: Orders are subject to acceptance by Seller only at Seller's offices. The acceptance and fulfillment of orders and agreements by Seller are contingent upon and subject to accidents, breakdowns, strikes, riots, sabotage, insurrection and war, and delays, interruptions in or failure of sources of material, supplies, equipment, labor and transportation, and to the acts of God or the public enemy, or to other causes and conditions, whether of like or different nature, affecting Seller, and to orders, contracts, priorities, directives, requisitions or requests of the Federal or State Governments of the United States of America, whether or not voluntarily assumed.
- 11. CLAIMS, CANCELLATION, SUSPENSION: Claims must be made within (30) days after receipt of the Articles. The cancellation or suspension of Buyer's orders will not be accepted of terms which shall not fully indemnify Seller against loss, such indemnity to include recovery of all direct costs incurred, attendant normal indirect and overhead charges, and a reasonable profit.
- 12. CONTROLLING LAW: This transaction shall be governed by, and this Agreement shall be construed and enforced in accordance with, the internal laws of the State of Wisconsin. If any provision, clause or part, or the application thereof under certain circumstances, is held invalid, the remainder of this Agreement or the application of such provision, clause or part under other circumstances shall not be affected thereby.

13. GENERAL COMMENTS:

There are no provisions governing shipping or payment terms.

Sample provisions governing shipping terms:

Seller will ship Articles to Buyer via common carrier unless Buyer specifies a different method of shipment. Shipment is F.O.B. Seller's plant, with freight costs to be paid by Buyer. Shipping dates on any order are estimates only. Seller will use every reasonable effort to meet the estimated shipping date, but Seller will not be held responsible for failure to meet such estimated dates. Seller may make delivery in installments and all installments will be separately invoiced and paid as billed without regard to subsequent deliveries. Failure to pay any installment when due will excuse Seller from making future deliveries.