

General Kinematics Corporation
Crystal Lake, IL

TERMS AND CONDITIONS OF SALE – PARTS

1. Contract Formation. Purchases or written acceptance of this quotation shall be deemed acceptance of the offer of General Kinematics Corporation (“Seller”) to sell contained in this quotation. Any acceptance of this quotation is limited to acceptance of the expressed terms of the offer contained herein. A proposal for additional or different terms or attempt by Buyer to vary in any degree any of the terms of this offer in Buyer’s acceptance and/or acknowledgement copy of this quotation is hereby objected to and rejected. This quotation or any sale or agreement arising therefrom can only be modified or changed in writing executed by a duly authorized representative of Seller containing specific reference to the number and date of this quotation.

2. Terms. Payment is due within 30 days upon receipt of invoice. All invoices shall be paid in U.S. Funds within 30 days of the invoice date. Invoices not paid within terms may be assessed a service charge of 1.5% per month (or fraction thereof). In the event collection action becomes necessary, Buyer agrees to pay all costs of collection, including attorneys’ fees, incurred by Seller in collecting any amount in which Buyer had not paid when due.

3. Warranty. Seller warrants to Buyer only that, at the time of shipment to Buyer, all equipment and parts thereof, except electronic components, shall be free of defects in material and workmanship for a period of twelve months following the delivery to the Buyer. At the request and option of Seller, Buyer shall return the claimed defective equipment or part to Seller. Transportation charges shall be prepaid and shall be at the expense of Buyer. Buyer shall pay any federal, state, local taxes, VAT, GST, custom duties or other charges and fees assessed for shipment of the defective equipment or part to and from Seller. If upon receipt and inspection the equipment or part thereof is found to be defective, Seller will, (i) at its option, repair or supply a replacement for the defective product or component free of charge except authorized replacement labor which shall be the responsibility of Buyer and (ii) credit Buyer’s account for the inbound transportation charges paid by Buyer. Seller’s liability is limited to the correction or to the supply of a replacement of the defective part as above set forth or, at the option of Seller, to a refund of the purchase price. This warranty is not transferable. This warranty shall not apply to any part which has been repaired or altered without the prior written consent of Seller, or has been subject to misuse, abuse, or accident, or has not been operated in accordance with printed instructions provided by Seller, or has been operated under conditions more severe than, or otherwise exceeding, those set forth in the specifications for such part. If Buyer grants any warranty on such equipment of greater scope than the warranty set forth above, Buyer will hold Seller harmless from any claims of third parties based on such greater warranty. Seller is not liable for and does not warrant any parts replaced by Buyer or the end user which are not purchased from Seller or approved by Seller. Should Buyer or end user purchase and replace parts on any equipment from sources other than Seller, or not approved by Seller, Seller will not be responsible for defects, damage or malfunction of such parts. Installation of such unapproved parts nullifies any warranty remaining on any GKC unit, as such substituted parts may affect performance of the entire unit. Seller will not be liable or responsible for any defects or failure in the performance of the equipment with unapproved parts. **THE WARRANTY PROVIDED IN THIS PARAGRAPH, AND THE OBLIGATIONS**

AND LIABILITIES OF SELLER UNDER ANY AGREEMENT RESULTING THEREFROM, ARE EXCLUSIVE OF ALL OTHER REMEDIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED.

4. Intellectual Property. Seller owns all intellectual property rights in plans, specifications, drawings, schematics, working models and other documents (“Custom Material”) provided to Buyer by Seller, including but not limited to copyrights, patents, trademarks and trade secrets. All Custom Material prepared by Seller for Buyer pursuant to any agreement arising from this quotation belongs exclusively to Seller.

5. Confidentiality. Each party acknowledges that in the course of the performance by Buyer and Seller, either party may obtain the Confidential Information of the other party. “Confidential Information” includes, but is not limited to, trade secrets, know-how, inventions, techniques, processes, algorithms, software programs, schematics, designs, contracts, and other proprietary information that gives the party an advantage in the marketplace and that the party protects from dissemination to the general public by reasonable measures of secrecy. Each party will, at all times, keep in confidence and trust all of the other party’s Confidential Information. Each party will take reasonable steps to prevent unauthorized disclosure or use of the other party’s Confidential Information and to prevent it from falling into the public domain or into the possession of unauthorized persons. Each party will not disclose Confidential Information of the other party to any person or entity other than its officers, employees, contractors, and consultants who need access to such Confidential Information in order to effectuate the intent of this Purchase Order and any contract arising therefrom and who will be bound by this provision as the agents of the party. Each party will immediately give notice to the other party of any unauthorized use or disclosure of the party’s Confidential Information. Each party agrees to assist the other party to remedy such unauthorized use or disclosure of its Confidential Information.

6. Delay. Any delay or failure in performance hereunder by a party hereto shall be excused if and to the extent caused by occurrences beyond such party’s reasonable control, including, but not limited to, decrees or restraints of government, force majeure, strikes or other labor disturbance, war, riot, civil commotion, sabotage, floods, fires or natural catastrophes. If, as a result of legislation or governmental action, any party or parties are precluded from receiving any benefit to which they are entitled hereunder, the parties shall review the terms hereof and use their best efforts to restore the party or parties to the same relative positions as previously enjoyed hereunder.

7. Choice of Law. All sales shall be governed by the laws of the State of Illinois without regard to conflicts of laws rules. In no event shall any sale or agreement arising from this quotation be subject to the United Nations Convention on Contracts for the International Sale of Goods or the Convention on the Limitation Period in the International Sale of Goods.

8. Dispute Resolution. (a) For all agreements for goods to be delivered by Seller to anywhere in the United States, its commonwealths and territories arising from any order for goods pursuant to this quotation, all disputes concerning such sales agreements shall be litigated in a court of law. Venue for all such litigation shall be in a state or federal court for McHenry County, Illinois. (b) For agreements for which goods are

delivered to a location other than in the United States, its commonwealths or territories, any controversy or claim arising from any order for goods pursuant to this quotation shall be resolved by binding arbitration in accordance with the International Arbitration Rules of the International Centre for Dispute Resolution. The arbitration hearings shall take place in Chicago, Illinois, USA, and the arbitration shall be in English. One arbitrator shall be appointed, except for disputes exceeding \$250,000.00 for which three arbitrators shall be appointed.

9. Consequential and Liquidated Damages. In no event shall either Buyer or Seller be liable to the other for incidental, liquidated or consequential damages, including, without limitation, lost revenue, lost profits, loss of use, or of any other loss of any nature, whether based in contract, tort, negligence, strict liability, economic loss or otherwise arising from performance, or failure to perform, under this Order.

10. Limitation of Liability. (a) Seller’s liability for any claim arising from performance of, or failure to perform, any agreement, or any part thereof, arising from this quotation shall be limited to the price of the agreement, including, without limitation, any claim or suit based in contract, negligence, strict liability or otherwise related to design, manufacture, delivery, resale, inspection, repair, operation or use of any piece of equipment, or any component thereof, or any replacement part. (b) Seller shall not be liable to Buyer for any damage sustained by Buyer due to any verbal instructions or advice (“Advice”) given by Seller to assist Buyer in any manner whatsoever, including, without limitation, advice regarding installation of rigging of the products, materials or any equipment sold to Buyer pursuant to any agreement arising from this quotation. (c) To the fullest extent permitted by law, Buyer agrees to indemnify, defend and hold harmless Seller and each of its officers, employees, agents, shareholders, and each of their heirs, successors and assigns from any and all claims, demands, liabilities, judgments, costs and expenses, including payment of attorneys’ fees and other defense costs, arising, or alleged to arise from, any Advice, regardless of whether any negligence of Seller or any of other indemnitees contributed thereto.

11. Export Controls. Buyer understands that Seller is subject to regulation by agencies of the U.S. government, including the U.S. Department of Commerce, which prohibits export or diversion of certain products and technology to certain countries. Buyer agrees to comply in all respects with the export and re-export restrictions contained in the export license (if necessary) for every product or service covered by these terms and conditions. Buyer shall take all actions reasonably necessary to assure that no end user contravenes such United States laws or regulations.

12. Agreement. (a) The agreement arising from this quotation consists of this quotation, any written modifications to this agreement executed by Seller and Buyer, and any documents incorporated by reference in this quotation. The agreement constitutes the entire agreement between Seller and Buyer and shall supersede all prior agreements pertaining to the subject matter of the agreement, whether written or oral. (b) If any provision of the agreement shall be invalid or unenforceable under the laws of any state, country or jurisdiction where use or performance occurs or is to occur, the agreement shall be interpreted as not containing the particular provision(s) which is (are) invalid or unenforceable. (c) The failure of Buyer or Seller to enforce any provision of the agreement shall be limited to the one instance and shall not be construed as evidence of waiver of the right to enforce that provision in any other instance.