



TERMS AND CONDITIONS OF SALE

YOU AGREE THAT THE FOLLOWING TERMS AND CONDITIONS CONSTITUTE THE COMPLETE AND FINAL AGREEMENT BETWEEN BUYER AND SELLER IN RESPECT OF THE APPLICABLE ORDER. NONE OF THE TERMS AND CONDITIONS CONTAINED IN THIS ACKNOWLEDGEMENT MAY BE ADDED TO, MODIFIED, SUPERSEDED OR OTHERWISE ALTERED EXCEPT BY A WRITTEN INSTRUMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF SELLER, AND THE PRODUCTS RECEIVED BY BUYER FROM SELLER SHALL BE DEEMED TO BE DELIVERED ONLY UPON THE TERMS AND CONDITIONS CONTAINED HEREIN. SELLER MAY CHANGE OR TERMINATE ANY PART OF THESE TERMS AND CONDITIONS AT ANY TIME IN ITS SOLE DISCRETION, AND SUCH CHANGES OR TERMS AND CONDITIONS WILL BE EFFECTIVE 30 DAYS FROM THE NOTICE DATE.

Acceptance. The acceptance of your ("Buyer") order by Seller for the products set forth on the front side hereof (the "Products") is EXPRESSLY MADE CONDITIONAL UPON BUYER'S ASSENT TO THE TERMS AND CONDITIONS OF THIS ORDER ACKNOWLEDGEMENT, and these constitute the only binding terms and conditions between the parties, even if these terms and conditions differ from or are in addition to those on any purchase order or other document sent to Seller by Buyer. Any terms of sale requested by Buyer which are in any way inconsistent with or in addition to these terms and conditions are rejected and will not be binding upon Seller. In the event that a written sales agreement between the parties applies to the Products, such agreement shall control and supersede any terms or conditions hereof in conflict therewith, but all other terms and conditions hereof shall apply. For purposes of these terms and conditions, "Seller" shall mean LMT ONSRUD LP.

Prices. Except as expressly set forth herein, all prices are F.O.B., Seller's shipping point, are exclusive of taxes and subject to correction for error. Seller may change pricing without notice, and the applicable price for an order will be the price in effect at the time of shipment. Price quotations are valid for thirty (30) days unless otherwise noted by Seller. Buyer shall pay each invoice within thirty (30) days of the date of invoice. Buyer shall make all payments when due without offset, deduction or counterclaim regardless of any claim by Buyer. Amounts not paid when due will bear interest from the invoice date at the rate of 1.5% per month or the maximum rate allowed by law, whichever is less. Buyer shall pay to Seller all costs and expenses (including attorneys' fees) incurred in collecting any amounts due hereunder. If the financial responsibility of Buyer becomes impaired or unsatisfactory to Seller, advance cash payments or satisfactory security shall be given by Buyer upon demand by Seller, and shipments may be withheld until such payment or security is received.

Taxes. The amount of any sales, use ad valorem, property or other tax or duty, however designated, levied or based on the Products, or the sale or delivery thereof, shall be added to the price quoted and billed to and paid by Buyer. If Seller is required to pay any such tax or duty, Buyer shall reimburse Seller therefore, or provide Seller with an appropriate exemption certificate or other documents acceptable to the taxing or customs authorities.

Shipping. All Products shall be shipped via a carrier designated by Seller at Buyer's expense to agreed upon locations. Buyer shall pay all costs incurred by Seller in connection with shipping such Products, including, without limitation all insurance, freight, cartage, warehousing, and all other charges in connection with loading and shipping the Products to Buyer. All shipping dates are approximate and tentative, and are based on prompt receipt from the Buyer of all necessary information. Requests for proof of delivery must be made within thirty (30) days of the date of shipment. If Buyer fails to accept delivery, Buyer shall nonetheless make payment to Seller. Claims for shortage, damage or non-delivery shall be made directly to carrier. Seller's responsibility ceases upon delivery to the carrier at the stated shipping point, and risk of loss, damage, injury or destruction to any of the Products shall pass to Buyer upon such delivery to the carrier. In no event shall any loss, damage, injury or destruction operate in any manner to release Buyer from the obligation to make payments required herein. Seller reserves the right to make partial shipments and to submit invoices for partial shipments. Seller reserves the right to allocate available Products among its customers in its discretion.

Force Majeure. Seller shall be excused for delay in delivery, may suspend performance and shall under no circumstances be responsible for failure to fill any order or orders, or any portion thereof, or meet obligations when due to: Force Majeure or the public enemy, terrorism, civil or military authority, war, fires, floods, riots, strikes, freight embargoes or transportation delays, inability to procure labor, fuel, material supplies, or power at current prices or on account of shortages thereof, any existing or future law or governmental act affecting the conduct of Seller's business, or any cause beyond the reasonable control of Seller.

Order Size and Variation. Orders for Products (other than specially manufactured products) must be for a quantity that is a whole-number multiple of Seller's standard lot-size for such products. Any order for a quantity that is not a whole-number multiple of Seller's standard lot-size will be deemed to be for a quantity that is the nearest whole-number multiple of such lot-size. In the case of orders for altered or modified products, the quantity actually shipped may be less than the quantity ordered based on products that are damaged in the alteration or modification process. In the case of orders for altered or modified products, the quantity actually shipped may be less than the quantity ordered based on products that are damaged in the alteration or modification process. In the case of orders for special products, or products ordered by weight or length, the quantity of products actually shipped and invoiced by Seller may be up to ten percent (10%) higher or lower than the quantity ordered. Without limiting the foregoing, all products furnished by Seller shall be subject to Seller's standard manufacturing variations and practices with the limits and sizes that Seller produces, and all products purchased are subject to customary quality variations and tolerances recognized within the trade.

Electronic Data Interchange (EDI). Buyer may electronically submit orders to Seller using Seller's EDI process. Electronic orders submitted by Buyer to Seller shall contain all key data, including, without limitation, purchase order number, pricing information, and quantity. Buyer acknowledges and agrees that any software, service provider, and interface used by Buyer to enable EDI transactions are the sole responsibility of Buyer. All costs and expenses incurred by Buyer in connection with implementing and enabling EDI shall be borne by Buyer, including all internal and external resource, equipment and software costs and expenses and all interface and connectivity costs and expenses. In the event Buyer's order contains pricing information that is not within the defined price range established by Seller for such Products, such order is hereby rejected. Any variation in a Product's pricing information proposed by Buyer via Seller's EDI process is rejected and any such purported variation will not be binding on Seller.



Limited Warranty. Seller warrants that the Products will conform to Seller's published specifications therefore, or such other specifications as the parties may agree in writing, provided that the Products are subjected to only the usage for which they were intended. The warranty shall commence on the date of shipment and continue for a period of ninety (90) days. In the event that any Product fails to comply with the foregoing limited warranty, Buyer must promptly (but no later than expiration of the applicable warranty period) contact Seller to obtain a return materials authorization. Products must be returned to Seller, freight prepaid by Buyer, for determination by Seller that such Products are defective. Such Products shall be accompanied by a written description of the circumstances under which the applicable Products purportedly failed. Seller shall replace or repair, at its sole option and expense, any defective Products for parts thereof that prove to be defective during the warranty period, and return such repaired/replacement Products to Buyer, freight prepaid by Seller, or refund the purchase price paid therefore. THIS REMEDY IS THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO BUYER. If Seller determines in its sole discretion that the defect is attributable to any cause other than poor workmanship or defective materials supplied by Seller, then Seller shall have no obligation whatsoever with respect to repair or replacement of the defective Products. Seller shall return the Products to Buyer, freight to be paid by Buyer, and the warranty described herein shall be void. This limited warranty does not cover defects caused by normal deterioration and wear and tear, and does not apply if Products have been subject to modification, or to misuse, abuse, mishandling, misapplication, operation outside rated capacities, negligence (including, without limitation, improper maintenance), or accident or if any adjustments or repair has been performed by anyone other than Seller or an authorized service representative of Seller. DISCLAIMER: TO THE EXTENT PERMITTED BY APPLICABLE LAW, THIS WARRANTY IS IN LIEU OF ANY OTHER WARRANTIES, AND SELLER HEREBY DISCLAIMS AND BUYER WAIVES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT. TO THE EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS), WHETHER BASED ON TORT, WARRANTY, CONTRACT OR ANY OTHER LEGAL THEORY, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN ADDITION, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE LIABILITY OF SELLER SHALL BE LIMITED TO THE PRICE ALLOCABLE TO THE PRODUCTS WHICH GAVE RISE TO THE CLAIM, AND SHALL TERMINATE ONE YEAR AFTER SHIPMENT OF THE APPLICABLE PRODUCTS TO BUYER. THE FOREGOING LIMITATIONS SHALL APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

Indemnification. Buyer agrees to indemnify and hold harmless Seller, its officers, agents, employees and authorized representatives from and against any and all costs or damages arising out of or related to any claim or lawsuit alleging personal injury or death to any person which may result from or arise in connection with its use of Products in any products of any kind. To the extent permitted under applicable law, if Buyer furnishes specifications to Seller for the use in manufacture of Products, Buyer will indemnify and hold harmless Seller, its officers, agents, employees and authorized representatives from and against any claim of intellectual property infringement which arises out of Seller's compliance with the specifications.

Cancellation. Any order for specially manufactured products, or altered or modified versions of standard products that is cancelled after such order is accepted by Seller shall be subject to a cancellation fee determined appropriate by Seller based on the work performed and expenses incurred as a result of such order.

Drawings and Technical Documents. All drawings and technical documents delivered by either of the parties to the other party remain the property of the delivering party, and the receiving party may not improperly use, reproduce, or otherwise disclose such materials to third parties. Tooling, setup, drawing, design information and partial preparation charges, when invoiced to Buyer, cover only part of the cost thereof of Seller. Buyer does not acquire any right, title or interest in any tooling, setup, drawings, design information, or invention resulting there from. All drawings, techniques, inventions or improvements (whether or not patentable) made or conceived in the course of fulfilling any order, including any intellectual property rights pertaining thereto, shall be the sole property of Seller.

Quality. Seller shall manufacture all Products in accordance with Buyer specifications and applicable ISO 9001 quality assurance requirements. Upon reasonable notice and during normal business hours, Buyer may conduct quality audits at Seller's facilities to ensure compliance with these specifications and requirements. Buyer agrees that it will share all results of quality audits of Seller's facility or facilities with Seller.

General Provisions. Buyer may not assign its order, these terms and conditions or any right or interest therein or any other obligation arising hereunder without the prior written consent of Seller. The contract resulting from Seller's acknowledgement and acceptance of Buyer's order shall be governed by the laws of the State of Illinois, U.S.A., without regard to principles of conflicts of law thereof and shall not be governed by the U.N. Convention on the International Sale of Goods. Buyer hereby consents to the jurisdiction of the state or federal courts in the State of Illinois for all disputes or controversies arising hereunder and shall not contest the jurisdiction or venue of such courts. Buyer further consents that service of process may be made upon Buyer by certified mail, return receipt request, at Buyer's last known address and that such service shall be deemed valid personal service. No failure of Seller to insist upon strict compliance by Buyer shall impair Seller's rights in case Buyer's default continues or in case of any subsequent default by Buyer. Waiver by Seller of any breach shall not be construed as a waiver of any other existing or future breach(es).