



Larsen Manufacturing, LLC – Standard Terms and Conditions of Sale

(1) CONDITIONS OF SALE.

a. The following are the conditions of sale for the sale of all products (the “Products”) by Larsen Manufacturing LLC (“Seller”). Any Seller quotation, purchase order or order acknowledgement is an offer subject to and expressly conditioned upon Buyer’s assent to the terms and conditions contained in this Conditions of Sale (“Agreement”) and any terms included on Seller’s quotation, purchase order or order acknowledgement, whether assent is in writing or by conduct. Acceptance of or payment for the Products shall constitute such assent. Seller rejects all additional or different terms.

b. Unless Buyer is an authorized distributor of Seller, Buyer agrees to limit its distribution of the Products purchased under this Agreement to the incorporation of said Products into a value added product which Buyer shall market under Buyer’s name for sale, lease or rent to third parties in the regular course of Buyer’s business. Buyer is responsible for the selection of each Product(s), its ability to achieve the results intended with other products, software and/or peripherals of Buyer’s design, assembly, manufacture or purchase, and for the system performance of Buyer’s value added product. Buyer also acknowledges that any technical support for Buyer’s value added product shall be entirely Buyer’s responsibility.

(2) PRICES, INVOICES AND PAYMENT.

a. Prices quoted are for the Product only, and do not include any amount for freight, insurance, fees, custom duties or Federal, State or Local excise, sales, use, service, occupation, gross income, property or similar taxes, all of which are the responsibility of Buyer. Shipping and handling charges shall be paid by Seller and invoiced separately to Buyer. Seller shall have the right to include taxes which may be applicable to the prices set forth herein in the event that Buyer does not supply to Seller, prior to sale, appropriate sales, use and Federal excise exemption certificates. When certifications of materials and/or processes, including but not limited to, plating and heat treatment, are required by Buyer the costs of such certifications will be passed on to or paid by Buyer.

b. Seller reserves the right to change quoted prices and warranty if the quoted business assumptions change, including without limitation, increases or surcharges for raw materials and/or outside processing.

c. Invoices shall be due and payable thirty (30) days from the date of the invoice, without regard to other deliveries. If payments are not received when due, Seller reserves the right to charge Buyer, in addition to the overdue payment, a late charge equal to the lesser of 1 1/2% per month or the highest applicable rate allowed by law on all such overdue amounts.

d. Seller’s offer is subject to Seller’s current credit policies and practices. Seller reserves the right, in its sole discretion, to approve, disapprove, or change Buyer’s credit limit or to impose credit terms, including without limitation the requirement that Buyer make full or partial advance payment. In the event of a complete or partial failure to pay, Seller may, at its option, revoke any credit extended to Buyer, suspend all subsequent shipments under open purchase orders until Buyer’s account is current, or offset such amount against any payments due or that become due from Seller or its affiliates to Buyer including without limitation payment due Buyer.

e. Buyer grants to Seller a security interest and right of possession in or repossession of the Products until Buyer makes full payment. Buyer authorizes Seller to file a UCC financing statement and Buyer will cooperate in whatever manner necessary to assist Seller in perfecting and recording such security interest. In addition to any other right or remedy of Seller at law or in equity, Seller shall be entitled to set off and retain

all monies paid (including but not limited to, credits, monies, balances owed to Buyer or any affiliate of Buyer with respect to any transaction between Buyer and Seller) and to apply same to any amounts owed to Seller, as Seller in its sole discretion shall deem appropriate. In the event Buyer shall fail to make payment when due for purchases, Buyer agrees to pay all of Seller’s costs of collection, including reasonable attorneys’ fees, costs and expenses.

(3) DELIVERY.

a. All shipments are made Ex-works, Incoterms 2000, Seller’s manufacturing location, freight collect. Except as otherwise specifically agreed to in writing by Seller and Buyer, Seller may ship and invoice Product quantities up to 10% above or below the ordered quantity to accommodate normal manufacturing and packaging variances. Unless preferred packing method is noted on Seller’s acknowledgement and/or invoice, all items will be packed for shipment in accordance with Seller’s standard practices. Any and all claims by Buyer for damage or loss of Products in transit shall be made by Buyer against the carrier. Delivery of all Products sold by Seller to Buyer hereunder is F.O.B. the location from which the Products shipped. Title and risk of loss or damage to Products shall pass to Buyer when the Products are delivered by Seller to the carrier for shipment to Buyer.

b. Delivery dates are best estimates only. Seller reserves the right to make deliveries in installments and the contract shall be severable as to such installments. Delivery delay or default of any installment shall not relieve Buyer of its obligation to accept and pay for remaining deliveries. Seller shall have no responsibility for costs accruing from any premium delivery charges even if such charges are caused by Seller’s failure to meet any agreed to schedules or delivery timelines.

c. The obligations of Seller and Buyer under this Agreement shall be temporarily suspended in the event of external delays beyond the obligated party’s reasonable control, and any failure to perform by that party as a result of any such interference or interruption shall not be deemed default. Performance may be suspended for the period of any such delay. The party whose performance is suspended shall notify in writing the other party within fifteen (15) days of such suspension.

d. In the event Seller is unable to wholly or partially perform because of any cause beyond its control, Seller may terminate any order without any liability to Buyer.

e. Buyer shall carefully inspect all deliveries of Products as they are received by Buyer and report to Seller promptly (but in any event within thirty (30) calendar days after receipt of shipment) any alleged error, shortage, defect or nonconformity of such Products. Any failure by Buyer to timely inspect and timely report shall constitute a waiver by Buyer of any claim or right of Buyer against Seller arising with respect to any error, shortage, defect or nonconformity. Buyer shall conduct any required inspection at its expense and shall return any nonconforming Products to Seller with said 30-day period at Buyer’s sole expense and risk.

(4) WARRANTY. Products sold hereunder are warranted by Seller to be free from defects in material and workmanship under normal use and operation and to conform to Seller’s specifications applicable at the time of shipment or, if appropriate, to Buyer’s specifications previously accepted by Seller in writing. This warranty is extended for a period of six (6) months from date of shipment to Buyer. If the Products sold hereunder are not as warranted, Seller shall, at its option and as Buyer’s exclusive remedy, either refund the purchase price, or repair or replace such Product, provided that Seller receives written notice of the defect during the period of warranty. This warranty does not apply to any changes or modifications made to the Product without the prior written consent of Seller or any defect or damage to or issue with the Product



arising from the operation, use, maintenance or storage of the Products other than as prescribed by Seller in writing. Seller extends this warranty to Buyer only, and it is the complete warranty for the Product. EXCEPT AS SPECIFICALLY SET FORTH HEREIN, ALL WARRANTIES EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES FOR BREACH OF WARRANTY. This warranty shall not be enlarged and no obligation or liability shall arise out of Seller's rendering of technical advice and/or assistance.

(5) **LIMITATION OF LIABILITY.** No action shall be brought for any breach of this Agreement more than six (6) months after the accrual of such cause of action. Seller's total liability arising out of or related to the sale of the Product and this Agreement, whether for breach of contract, warranty, infringement of intellectual property rights, Seller's negligence, strict liability in tort or otherwise, is limited to the price of the particular Product sold hereunder with respect to which losses or damages are claimed. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES whatsoever arising out of, caused by or related in any way to the breach of any of its obligations under this Agreement, even if the party has been advised of the possibility of such damages. The parties expressly agree that the above limitation on damages is an allocation of risk constituting in part the consideration for this Agreement.

(6) **INFRINGEMENT.** Buyer shall defend, indemnify and hold harmless Seller, its subsidiaries, successors, assigns and affiliate, and the members, managers and employees of each of them (collectively "Seller Indemnified Parties"), from and against any damage, loss claim, judgment or other liability, cost or expense (including but not limited to, court costs and reasonable attorneys' fees) incurred by such Seller Indemnified Parties, which may relate or arise out of any infringement or violation of any third party's intellectual property or other rights arising out of or in connection with Seller's compliance with Buyer-furnished specifications, designs, or instructions, or use of Buyer-furnished components. Seller reserves the right, without being required to do so, and without waiver of any indemnity hereunder, to defend, at Buyer's expenses, any claim, action or lawsuit coming within the scope of this paragraph.

(7) **CONFIDENTIAL INFORMATION.** To the extent that protection of information or materials to be transferred pursuant to this Agreement is covered by an existing confidentiality agreement, the existing agreement shall apply. Otherwise, the following terms shall apply: Seller may furnish to Buyer information and materials ("Materials") identified as confidential or proprietary. Buyer may not disclose such Materials except to its employees who may require use of the Materials in the performance of their duties, and Buyer may use such Materials only as authorized by Seller. Buyer's obligations with respect to such Materials shall continue for five (5) years after receipt of the Materials.

(8) **IMPORTATION AND EXPORTATION.** Buyer shall comply with all applicable export control laws and shall not, directly or indirectly export, reexport, resell, ship, or divert any Product, Material, service, technical data, or software furnished hereunder to any person, entity, project, use, or country in violation of the laws or licensing requirements

of the United States or any other appropriate national authority. Buyer shall indemnify and hold Seller harmless for any and all claims, demands, cost, fines, penalties, fees, expenses or losses arising from Buyer's failure, intentional or unintentional, to comply with the foregoing paragraph.

(9) **GENERAL.**

a. This Agreement, with such documents as are expressly incorporated herein by reference, is intended by the parties to be a final, exclusive, complete and fully integrated expression of their agreement and its terms. No course of prior dealing between the parties and no usages of the trade shall be relevant to determine the meaning of this Agreement or explain any term used herein. No modifications hereto shall be effective unless they are agreed upon in writing by both parties.

b. The failure of either party to insist in any one or more instances upon the performance of any of the terms, covenants, or conditions in this Agreement or to exercise any right under this Agreement, shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant, or condition or the future exercise of any such right.

c. No right, interest or obligation in this Agreement may be assigned or delegated by either party without the written permission of the other party. This Agreement is binding upon and shall inure to the benefit of the parties and their respective successors.

d. The parties agree that any claim or dispute arising from this transaction will be submitted to non-binding mediation prior to initiation of any formal legal process.

e. This Agreement shall be governed and interpreted in accordance with the laws of the State of Illinois, without reference to principles of choice and conflicts of laws. Any dispute regarding the Products or this Agreement shall be subject to the exclusive jurisdiction of the United States District Court for the Northern District of Illinois and the jurisdiction of any court of the State of Illinois located in the City of Chicago. The prevailing party in any litigation or action related to the Products or this Agreement shall be entitled to recover its attorneys' fees and costs reasonable incurred in such matter.

f. Buyer agrees that this Agreement and any terms included on Seller's quotation, purchase order or order acknowledgement are the exclusive statement of the terms and conditions of the agreement between the parties and that they supersede all proposals and other communications between the parties, oral or written, relating to the subject matter hereof.

g. If any provision of this Agreement is contrary to, prohibited by or held invalid by any law, rule, order or regulation of any government or by the final determination of any State or Federal court, such invalidity shall not affect the enforceability of any other provisions not held to be invalid.