

MULTI PRODUCTS CO., INC.

TERMS AND CONDITIONS OF SALE

The following is a statement of Multi Products Co., Inc. (MPC) conditions of sale which are made a part of this offer. Unless Buyer advises to the contrary by separate letter accompanying its purchase order, any purchase order issued in response to this offer shall be an acceptance of this offer including the conditions of sale as set forth on the face and back hereof. Please note particularly the Limited Warranty and Limitation of Remedies provisions set forth below.

1. Acceptance

Any acceptance of this offer is limited to acceptance of the express terms of the offer contained on the face and back hereof. Any proposal for additional or different terms or any attempt by Buyer to vary in any degree any of the terms of this offer in its acceptance is hereby objected to and rejected; such proposals shall not operate as a rejection of this offer, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by Buyer without any additional or different terms. If this sales quotation shall be deemed an acceptance of a prior offer by Buyer, such acceptance is expressly conditional on Buyer's assent to any additional or different terms contained herein. Buyer shall be deemed to assent to these terms and conditions of sale by issuance of a purchase order in response to this offer or by accepting delivery of any products ordered from MPC unless MPC is advised to the contrary in writing.

2. Price

Unless otherwise stated, all prices quoted are subject to change at any time, without notice, to prices prevailing at time of receipt of Buyer's order. All payments shall be in United States currency. Any prices quoted for disposable tooling or similar equipment to produce Buyer's product consist of charges for engineering and development, and do not entitle the Buyer to ownership or right of removal of such tooling or equipment. If there is a delay in completion of shipment of said order, due to any change requested by Buyer or as a result of any delay on Buyer's part in furnishing information required for completion of the order, the price agreed upon at time of acceptance or order is subject to change. Prices and FOB terms are otherwise as stated on the quotation. Prices are exclusive of all taxes – federal, state or local unless otherwise noted. There will be added to the quoted price any sales or other tax or duty which Buyer may be required to collect or pay upon the sale of goods quoted. If such amount is not included in invoice of the goods, it may be invoiced separately later.

3. Delivery

(a) Delivery dates are estimates only. Time of delivery is not the essence of the Contract. Unless otherwise stated, delivery periods commence from date of Acknowledgement of Order. MPC shall use its reasonable endeavors to deliver the Goods by the stated delivery date, but may suspend or delay delivery and shall not be liable for any loss whatsoever in the event of late delivery or non-delivery of Goods or any installment owing to any occurrence whatsoever beyond its control. The Buyer shall not be entitled to refuse to accept late delivery or treat delivery as a breach of contract.

(b) MPC may, at its option, deliver by installments; each installment shall constitute a separate contract on these Conditions.

4. Limited Warranty

MPC warrants to the original purchaser the labor and materials in its motors for one year from the date of purchase provided such product is used under normal conditions for its intended purpose(s). This warranty does not apply against defects resulting from: (I) use in excess of the motor capacity; (II) abuse, accident or damage in transit; (III) unsatisfactory performance within a particular end product, unless such use is specifically approved by MPC in writing. THIS EXPRESS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE. Any returns require prior written authorization from MPC.

5. Limitation of Remedies

In the event of MPC liability, whether based on contract, tort, negligence, strict liability or otherwise, Buyer's sole and exclusive remedy will be limited to, at MPC option, the repair or replacement by MPC of any nonconforming goods for which claim is made by Buyer in accordance with these terms and conditions or to the allowance of a credit for the portion of the purchase price paid by the Buyer attributable to the nonconforming goods. MPC shall not be liable for incidental or consequential or any other losses, damages or expenses, directly or indirectly arising from the sale, remanufacture, handling or use of the goods or from any other cause relating thereto. Any action brought relating to the goods must be commenced within one year from the date such cause of action arose.

6. Claims – Notice of Defects

In the event any goods to be furnished hereunder are claimed to be defective, MPC shall be given ample opportunity for inspection, including inspection at Buyer's premises or upon request shall be furnished with a sample of such goods. MPC shall be liable only to repair or replace defective goods or to allow credit for such item at its option. Defective goods may be returned only upon MPC written approval, and Buyer shall consult with MPC as to the proper method of identifying and returning defective goods. Any claims must be made within 3 days of Buyer's discovery of any defective goods or such shorter period as may be commercially reasonable, but in any event within 60 days after receipt of goods shipped hereunder. Requests for replacement of defective parts or issuance of a credit therefore must be made within 60 days of resolution of any claim.

7. Payment

- (a) Subject to satisfactory trade, banker's and other requisite references, and where no other terms of payment have been specifically agreed in writing, the MPC terms are net 30 days, payable in U.S. \$ dollars.
- (b) No discount or allowance will be made unless specifically stated by MPC in writing.
- (c) Time for making payment shall be the essence of the Contract.
- (d) MPC may at any time, in its absolute discretion, appropriate any payment made by the Buyer in respect of Goods to such outstanding debt as MPC thinks fit, notwithstanding any purported appropriation to the contrary by the Buyer.
- (e) MPC shall be entitled to cancel the Contract or to postpone any delivery until payment has been received, in the event that MPC has reasonable doubts about the Buyer's ability or willingness to pay on the due date.
- (f) MPC reserves the right, at any time at its discretion, to demand security for payment before continuing with an order or delivering Goods or any installment.

8. Retention of Title

Until MPC has received payment in full of all sums owed to it on any account by the Buyer, whether arising out of this or any other contract, legal and beneficial title to the Goods shall remain with MPC.

9. Cancellation

Orders cancelled or terminated by the Buyer, for reasons not the fault of MPC, are subject to cancellation charges in addition to actual costs incurred by MPC.

10. Force Majeure

(a) MPC shall not be liable to the Buyer if unable to carry out any provision of the contract for any reason beyond its control including (but without limitation) acts of nature, legislation, war, civil commotion, fire, flood, drought, failure of power supply, lock out, strike, stoppage or other action of employees or third parties in contemplation or furtherance of any dispute or owing to any inability to procure parts or materials required for the performance of the contract.

(b) Should such contingency referred to above continue for more than three months, either party may (subject to MPC repaying to the Buyer any advance payments made for undelivered Goods and the Buyer paying for Goods delivered) cancel the Contract without further liability to the other.

11. Confidentiality

In the event Buyer's personnel visit MPC facility or Buyer otherwise receives any proprietary or confidential information from MPC, such information shall be retained as confidential by Buyer and not be used or disclosed to any third party without the written consent of MPC. MPC retains all rights in any invention, improvement, discovery or patent it conceives relating to the goods delivered hereunder.

12. Trademark and Patent Infringement

If the goods sold hereunder are to be prepared for manufacture according to the Buyer's specifications, Buyer shall defend, hold harmless and indemnify MPC against any claims, liability, costs or attorneys' fees incurred in relation to any claim for patent or trademark infringement.

13. Engineering and Development

Any equipment designed, constructed or supplied by MPC that is required for use in the production of goods for Buyer, including patterns, jigs, dies, gages and tools are proprietary to MPC. Therefore, until payment for such, including engineering and development, is received from Buyer, ownership or right of removal from MPC will not be conveyed.

14. Independent Entities

MPC and Buyer are independent entities. Buyer is not authorized to and shall not make any representations which attempts to bind MPC.

15. Remedies

The rights and remedies reserved to MPC shall be cumulative and additional to all other remedies provided by law or equity. MPC shall be entitled to recover costs and attorney fees in the enforcement or defense of any rights hereunder.

16. Assignment

Neither party shall assign its rights or delegate its performance hereunder without the prior written consent of the other, and any attempted assignment or delegation without such consent shall be void.

17. Waiver

No waiver of any of MPC rights under the Contract shall be effective unless in writing signed by an officer or other authorized person on behalf of MPC. A waiver shall apply only to the specific circumstances in which it is/was given and shall be without prejudice to the enforcement of MPC rights in relation to different circumstances or the recurrence of similar circumstances.

18. Entire Agreement

This instrument contains the entire agreement of the parties relating to the subject matter hereof and may not be waived, changed, modified, extended or discharged orally but only by agreement in writing and signed by the party against whom enforcement of such waiver, change, modification, extension or discharge is sought.

19. Governing Law

This agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of Wisconsin.

20. Construction Jurisdiction

Each of these Conditions and each paragraph hereof shall be construed as a separate condition. Should any provision hereof be found to be invalid or unenforceable or an unreasonable restriction, then such provision shall apply with such modification as may be necessary to make it valid and effective.

21. Raw Materials / Energy Costs

MPC reserves the right to pass raw material and/or energy surcharges on to the Buyer in times of unusual escalation of these material and/or energy costs.