

WOHLHAUPTER CORPORATION
STANDARD TERMS & CONDITIONS

GENERAL:

In the absence of a written acceptance of these terms and conditions of sale by the buyer ("Buyer"), an acceptance of any of the good covered by Buyer's order constitutes an acceptance of our terms and conditions of sale, which in turn constitutes the entire contract between Wohlhaupter Corporation ("Wohlhaupter"), and Buyer except as hereinafter provided. No waiver, alteration or modification to these terms and conditions of sale shall bind Wohlhaupter unless made in writing and signed by a duly authorized representative of Wohlhaupter. Any attempt to strike out or alter these terms and conditions herein shall not be deemed an acceptance but a rejection of the offer contained herein, and, to be effective, a new offer by Buyer must be expressly accepted by Wohlhaupter in a writing signed by a duly authorized representative of Wohlhaupter. Any terms and conditions of Buyer's purchase order, or any other document, which are in any way inconsistent with or in addition to the terms and conditions set forth herein are hereby rejected, notwithstanding Wohlhaupter's acceptance of Buyer's order. Any such inconsistent or additional terms and conditions shall not be binding on Wohlhaupter unless and until Wohlhaupter accepts such inconsistent or additional terms and conditions in a writing signed by a duly authorized representative of Wohlhaupter which expressly notes that such accepted terms and conditions are departures from these terms and conditions. If Wohlhaupter does not accept an order, Wohlhaupter will refund any deposit submitted by Buyer. Buyer must raise any objections to these terms and conditions within 30 days after receipt of confirmation from Wohlhaupter. Quotes may be withdrawn by Wohlhaupter unless accepted by Buyer within 30 days from the date of the quotation.

I. DRAWINGS AND TECHNICAL DATA:

Drawings and technical data provided by Wohlhaupter in response to a customer requirement or request are the property of Wohlhaupter. Such information may be subject to change prior to or after becoming an order.

Where proposals include a drawing reference, a copy of the approved drawing signed by Buyer must accompany an order. Buyer must resolve any discrepancy. Drawings and technical information accompanying a proposal are not used for manufacturing purposes.

Approval drawings shall follow any order accepted and are considered "approved as submitted" unless signed approval drawings with changes are received within 5 working days of Wohlhaupter's transmittal. Changes requested that are not required for proper operation require change order authorization in written form. Changes or delays in approval may effect delivery and manufacturing schedules. Proposals provided by Wohlhaupter are proprietary and copyright protected. All proposal information must be returned to Wohlhaupter if requested.

II. FORCE MAJEURE:

Orders accepted by Wohlhaupter are contingent upon and subject to, and Wohlhaupter shall not be liable for delays in or failures of performance required hereunder caused by, strikes, labor disputes, lockouts, accidents, fires, explosions, delays in manufacture or in transportation or delivery of our products, breakage of machinery or apparatus, floods, weather, or other acts of God, embargos, government actions, national defense requirements, injunction, war, riots, terrorism, inability to obtain machinery, equipment, fuel, power, raw material, labor, containers, or transportation facilities, or any other cause beyond the reasonable control of Wohlhaupter. In the event of a delay or failure of performance caused by any of the foregoing conditions, Wohlhaupter shall: (a) use reasonable commercial efforts to promptly notify Buyer in advance of conditions which may result in any such delay in or failure of performance; (b) use reasonable commercial efforts to avoid or remove such conditions; and (c) promptly continue performance when such conditions are removed.

III. TITLE & TRANSPORTATION:

Title to products purchased passes through to Buyer at the point of origin (F.O.B. Centerville, Ohio) and upon shipment. The responsibility for providing insurance coverage on such equipment then passes to Buyer. Claims for damages in transit or shortages shall be made to the transportation carrier or the insurance company. Payments will not be withheld on lost, stolen or damaged, products once title has passed to Buyer. Wohlhaupter retains a security interest in the product until the purchase price is paid in full.

IV. SCHEDULES & DELIVERY:

Delivery and schedules provided by Wohlhaupter are estimates and are based on prompt receipt of all information from Buyer. Wohlhaupter will exercise reasonable commercial efforts to meet a scheduled delivery date but will not be held responsible for a failure due to causes beyond our reasonable control. All orders are subject to component lead times, availability and existing shop workloads.

V. RETURNS:

See Wohlhaupter's separate RETURN GOODS POLICY.

VI. CANCELLATION:

Except when Wohlhaupter fails to perform there will be a 15% cancellation charge on all orders. All orders for special tooling cancelled will be subject to charges for Wohlhaupter's labor, material and profit on work completed at the time of cancellation.

VII. ORDERING STANDARDS AND SPECIALS:

Wohlhaupter's catalog numbers, EDP numbers and or quote numbers apply for all business transactions.

VIII. PRICE & AVAILABILITY:

Catalog prices effective on the current price list date supersede all previous price lists. Please contact Wohlhaupter or your local representative for stock status. Prices shown are subject to change without notice. Print errors are subject to correction.

Wohlhaupter Corporation
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Special tooling will be quoted in a proposal format and will be valid for 30 days, thereafter the prices will be subject to change without any notice.

Buyer assumes charges for any changes requested on special proposals after approval drawings have been returned to Wohlhaupter.

Prices are quoted F.O.B. Centerville, Ohio. Wohlhaupter will invoice any prepaid freight and insurance to Buyer.

Euro Exchange Surcharge: At times it will be necessary to add a 2% surcharge to the cost of all goods shipped from Europe. This surcharge will be used in extreme cases when the Euro reaches a 15% or higher exchange rate than the U.S. Dollar.

IX. TAXES:

Applicable use and sales taxes shall be paid by Buyer and are not included in any quoted prices.

X. TERMS:

Net 30 days from date of invoice. Any amount unpaid by Buyer when due will be subject to bear interest of 2% from the date said amount is due or the highest lawful amount allowed if less than 2%.

XI. MINIMUM ORDER

Minimum order amount of \$35.00 net. Authorized distributors are expected to stock most common spare parts for their customers.

XII. EXPRESS CHARGES:

Orders received after 3:00 pm EST for same day shipments are subject to an express charge of \$35.00.

XIII. LIMITED WARRANTY:

Wohlhaupter warrants all products it has manufactured to be free from defects in materials and craftsmanship. Buyer must notify Wohlhaupter in writing claiming defective materials within ninety (90) days after delivery. Absence of such notice constitutes a waiver by Buyer of all claims for defect. Products will operate substantially in conformance with Wohlhaupter's specifications, when subjected to normal, proper and intended usage by properly trained personnel, for a period of one (1) year from the date of shipment to Buyer. In no event shall Wohlhaupter have any obligation to make repairs, replacements or corrections required, in whole or in part, as the result of (i) normal wear and tear, (ii) accident, disaster or event of force majeure, (iii) misuse, misapplication, fault or negligence of or by Buyer, (iv) use of the products in a manner for which they were not designed, (v) causes external to the products such as, but not limited to, power failure or electrical power surges, (vi) improper storage of the products, (vii) failure to follow Wohlhaupter's recommended operating guidelines or maintenance recommendations, (viii) unauthorized modifications, (ix) operator error or (x) use of the products in combination with equipment or software not supplied by Wohlhaupter. Items manufactured by others shall carry the guarantee offered by those manufacturers.

Wohlhaupter's liability shall be expressly limited to the replacement or credit for the value of the defective product. Wohlhaupter shall not be liable for any loss or damage resulting from the handling or use of the product shipped, whether in manufacturing process or otherwise. Wohlhaupter makes no warranty expressed or implied as to the suitability of any of its products in Buyer's applications.

INSTALLATION, MAINTENANCE, REPAIR, SERVICE, RELOCATION, TAMPERING OR ALTERATIONS TO THE PRODUCTS PERFORMED BY ANY PERSON OR ENTITY OTHER THAN WOHLHAUPTER WITHOUT WOHLHAUPTER'S PRIOR WRITTEN APPROVAL, OR ANY USE OF REPLACEMENT PARTS NOT SUPPLIED BY WOHLHAUPTER OR AN AUTHORIZED DISTRIBUTOR, SHALL IMMEDIATELY VOID AND CANCEL ALL WARRANTIES WITH RESPECT TO THE AFFECTED PRODUCTS. THE FOREGOING WARRANTIES ARE BUYER'S EXCLUSIVE WARRANTIES AND REPLACE ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, SATISFACTORY QUALITY OR FITNESS FOR A PARTICULAR PURPOSE.

Limitation of Time for Commencement of Action by Buyer: Any action for breach hereof or for negligence must be commenced by Buyer within 6 months after the date of shipment of goods.

Choice of Law: This agreement shall be deemed to have been made in Centerville, Montgomery County, Ohio. Its construction and validity shall be determined in accordance with the laws of the State of Ohio.

Any provision hereof, or performance hereunder, is now or hereafter prohibited by law, regulation, or other governmental action, in any country, state or territory, or political subdivision, then such provision shall be deemed not to be part of this agreement, within the jurisdiction in which such prohibition is operative. The invalidity or unenforceability of any provisions hereof shall not affect the validity or enforceability of the remaining provisions.

XIV. LIMITATION OF LIABILITY:

Wohlhaupter's sole and exclusive liability to Buyer for any matter arising out of or relating to Wohlhaupter's products or the transactions subject to these terms and conditions of sale, whether in contract, tort (including negligence), strict liability or otherwise, shall be general money damages in the aggregate shall not exceed the lesser of Buyer's actual direct damages or the amount actually paid by Buyer to Wohlhaupter for the products. **IN NO EVENT SHALL WOHLHAUPTER BE LIABLE TO BUYER FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES OF ANY KIND OR AMOUNT, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF USE OF FACILITIES OR EQUIPMENT, INCREASED EXPENSES, LOSS OF REVENUE, LOSS OF PROFITS OR LOSS OF GOODWILL, EVEN IF WOHLHAUPTER WAS AWARE OF THE POSSIBILITY OF SUCH DAMAGES OR WAS NEGLIGENT.**

WOHLHAUPTER CORPORATION
RETURN GOODS POLICY

SECTION 1. GENERAL RETURN FOR ANY MERCHANDISE:

The rules and conditions of this Section 1 apply in the following cases unless explicitly revoked. Wohlhaupter reserves the right to process any return on a case by case basis under special conditions not shown below.

- 1.1 Prior to returning any merchandise to Wohlhaupter, the customer must obtain a return goods authorization form from Wohlhaupter. This form must be filled out and accompany all authorized return shipments. Original order numbers and invoice numbers must be referenced.
- 1.2 If a request for return of merchandise is accepted, Wohlhaupter will issue an individual RGA number (Return Goods Authorization Number).
- 1.3 Return shipments must be made within 10 days from the date of Wohlhaupter's authorization, and must be accompanied by Wohlhaupter's RGA number and a copy of our original invoice.
- 1.4 All returns must be freight and insurance prepaid by the customer. All packages are to be clearly marked on the outside with Wohlhaupter's RGA number. We reserve the right to refuse any return not clearly marked with our RGA number.
- 1.5 All returned goods are subject to inspection. Credit granted is subject to the inspection report.
- 1.6 Wohlhaupter will only grant credit for unused, current standard catalog items. No credit will be granted for:
 - Special items or modified standards
 - Discontinued or obsolete items
 - Items in unusable condition due to wear marks, dents, rust, transportation damage, etc.
 - Items specially marked or labeled for a customer.
 - Any item six months or older from the date of the original shipment to an end user, under a formal purchase order, unless in exchange for an equal value offsetting order.
- 1.7 Any credit granted by Wohlhaupter is subject to the original net invoice value or the present net sales price, whichever is lower. In addition, Wohlhaupter reserves the right to deduct such credit, any loss incurred for extensive repackaging or reconditioning of returned goods.
- 1.8 Under no circumstances will Wohlhaupter accept any return shipments if not provided with Wohlhaupter's RGA number and if not accompanied by the necessary documentation or for which the customer has not prepaid the freight and insurance. Any returns not authorized or in compliance will be shipped back at the customer's expense.

**ANY RETURN GOODS AUTHORIZED IN EXCEPTION TO THESE RULES ARE SUBJECT TO
A 20% RESTOCKING CHARGE.**

SECTION 2. GOODS ORDERED IN ERROR BY THE CUSTOMER.

Unused catalog items ordered in error are not subject to a restock charge if a substitute order for at least the same value or greater is placed with the return request. In case of non-compliance with this condition the rules of paragraph one apply.

SECTION 3. RETURN GOODS SHIPPED IN ERROR BY WOHLHAUPTER.

Wohlhaupter must be informed within 14 days from the date of receipt of such merchandise. Wohlhaupter will exchange any material shipped in error at no charge to the customer upon the return of products shipped in error to Wohlhaupter.

SECTION 4. RETURNS FOR WARRANTY REASONS.

If an inspection of the product reveals a defect covered by Wohlhaupter's warranty, Wohlhaupter will repair or replace such products in accordance with the separate terms of warranty and will return the repaired or replaced items to the customer at no charge. If the inspection reveals no deficiency or defect not covered by warranty, Wohlhaupter will charge the return freight and insurance to the customer.

SECTION 5. RETURNS FOR NON-WARRANTY REPAIR.

- 5.1 Items returned to Wohlhaupter for non-warranty repairs are to be freight and insurance prepaid and must be clearly marked as items for repair or reconditioning. Shipping label should be marked "Attn: Repair Dept."
- 5.2 Lacking other instruction, Wohlhaupter will inspect the items returned for repair and will submit an estimate of time and cost of repair.
- 5.3 Wohlhaupter will not proceed with repairs until we have customer approval via a purchase order.
- 5.4 Wohlhaupter will charge any freight and insurance for return shipment of repaired or not repaired items to the customer.