

STANDARD CONDITIONS OF SALE

1. CONTROLLING PROVISION

Any product shipped to the Purchaser in any other state shall be considered as a shipment made in interstate commerce. Proposals or resulting contracts shall be interpreted under the laws of the State of Pennsylvania. All sales are expressly limited to these terms and conditions, and the rights of the parties shall be governed exclusively by the terms and conditions hereof. No sales shall be final until acknowledged in writing by Seller's office(s) in Bethlehem, PA, and LaFox, IL.

2. TERMS AND PRICES

A. Terms of payment are subject to approval of and modification by Seller's Credit Department. Unless otherwise stated, all payments are due net thirty 30 days after notification of readiness to ship. A late charge of 1 % per month will be due on the unpaid overdue outstanding balance. Accounts with balances exceeding 45 days may be subject to restricted shipments, pre-payment, or COD status. All payments for Export Sales, unless otherwise stated, must be covered by a 100% prepayment prior to shipment.

B. Prices and deliveries are F.O.B. point of manufacture unless otherwise specifically stated. TITLE OF THE EQUIPMENT AND RISK OF LOSS SHALL PASS TO THE BUYER UPON SELLER'S DELIVERY OF EQUIPMENT TO THE CARRIER. Seller shall not be responsible to the Purchaser/Consignee for any loss or damage to the product and equipment in transit. Any claims for loss or damage to the product and equipment sustained during shipment in such cases are between the Carrier and the Purchaser/Consignee. Seller's responsibility and obligations following loss or damage to equipment in transit shall be limited to assistance in processing and securing information pertaining to damage claims.

C. Prices do not include sales, use, excise, or similar taxes. Consequently, applicable taxes to the sale or use of the Seller's product shall be paid by the Purchaser unless the Purchaser shall have provided the Seller with a tax exemption certificate acceptable to the taxing authorities.

3. DELIVERY

Seller will make every reasonable effort to meet shipping dates promised and to maintain production schedules consistently therewith, HOWEVER, SELLER IS NOT LIABLE FOR CLAIMS OF DAMAGES DUE TO FAILURE FOR ANY REASON TO MEET SUCH SCHEDULED SHIPPING DATES AND SUCH FAILURE TO MEET SCHEDULED SHIPPING DATES SHALL NOT BE SUFFICIENT CAUSE FOR CANCELLATION WITHOUT PAYMENT OF LIQUIDATED DAMAGES AS SPECIFIED IN PARAGRAPH 5.

4. INSURANCE AND INDEMNIFICATION

Seller agrees to indemnify, defend, and save Buyer, its officers, directors, employees, agents, and representatives harmless from all losses, expenses, demands, and claims made against Buyer, its officers, directors, employees, agents, or representatives because of any personal injury, death, or property damages to the extent caused by the sole negligence of Seller, its employees, agents, or representatives in connection with the performance of Seller's obligations under this Agreement: provided, however, that in no event shall Seller be liable for any indirect, special, punitive, consequential, or incidental damages, included but not limited to, damages for loss of use of facilities or equipment, loss of revenue, loss of profits, or loss of goodwill, regardless of whether Seller (1) has been informed of the possibility of such damage or (2) is negligent. Indemnification and damages shall, in the aggregate, be limited to an amount equal to the lesser of (1) damages suffered by Buyer as the direct result of Seller's negligence or (2) the total amount paid by Buyer to Seller for the products or services herein provided.

5. CANCELLATION

It is understood and expressly agreed that in the event of cancellation or refusal by the Purchaser to accept the material or to proceed with the performance of the work herein contemplated, then the Seller shall be entitled to demand and receive from the Purchaser, as liquidated damages and not as a penalty, thirty percent (30%) of the contract price plus the cost, profit and overhead for all material, labor, engineering, work in progress, commitments made by Seller in connection with Buyer's order, and work furnished or done by the Seller up to the date of the cancellation or the Purchaser's refusal to proceed with the work herein contemplated.

6. RETURN MATERIAL AND RESTOCKING: REFER TO STRAHMAN RETURN MATERIAL POLICY ON WEBSITE.

7. WARRANTY

Seller warrants the equipment of its own manufacture to be free of defects in material and workmanship, under normal use and proper operation, for a period of one year from date of shipment from Seller's plant. Seller's obligation under this warranty shall be strictly limited, at Seller's sole option to (i) furnishing replacement parts for or repairing without charge to Purchaser, F.O.B. ex-works point of manufacture or (ii) issuing written authorization for Purchaser or others to replace or repair, without charge to Purchaser, at costs comparable to Seller's normal manufacturing costs, those parts proven defective, provided Purchaser has given Seller immediate notice upon discovery of such defect; or (iii) in discharge of Seller's maximum liability herewith, refunding all monies paid by Purchaser to Seller for the product and, at the discretion of Seller, having the product removed and returned to Seller at Purchaser's expense. All transportation charges relative to corrective work, defective parts or replacement parts shall be borne by Purchaser. The undertaking of repairs or replacement by Purchaser or its agents without Seller's written consent shall relieve Seller of all responsibility herewith.

Finished materials and accessories purchased from other manufacturers are warranted only to the extent of the manufacturer's warranty to Seller. Seller's sole liability shall be exclusively as set forth herein, and Seller shall not be liable for any incidental or consequential damages due to its breach of any warranty herein contained, or otherwise. Without limitation to the foregoing, in no event shall Seller be liable for the loss of use of the product or for the loss of use of any other product, process, plant, equipment, or facilities of the Purchaser or the end-user whether partially or wholly due to defects in material and/or workmanship and/or design of Seller's product, and in no event shall Seller be liable for the removal of appurtenances or incidentals such as connections, pipework and similar items of obstruction or for any cost brought about by the necessity of removing the product from its point of installation.

Seller makes no warranty of any kind whatsoever, express, or implied, other than as specifically stated herein; and there are no warranties of merchantability and/or fitness for a particular purpose on product and equipment.

8. LIABILITY

Seller agrees, at its option, to repair at the point of shipment or to replace without charge F.O.B. point of shipment, any part or parts of products of Seller's manufacture which, within the specified warranty period, shall be proved to Seller's satisfaction to have been defective when shipped, provided the Purchaser promptly notifies Seller, in writing, of such alleged defect.

Seller's liability to Purchaser, whether in contract or in tort arising out of warranties, representations, instructions, or defects from any cause shall be limited to repairing or replacing of the defective part or parts as aforesaid, F.O.B. point of shipment. No liability whatsoever shall attach to Seller until said products have been paid for.

EXCEPT AS STATED IN SECTION 8 LIABILITY AND SECTION 7 WARRANTY, AND EXCEPT AS TO TITLE, THERE ARE NO GUARANTEES OR WARRANTIES OF MERCHANTABILITY, FITNESS FOR PURPOSE OR OTHERWISE, EXPRESS, IMPLIED OR STATUTORY; AND SELLER SHALL HAVE NO LIABILITY FOR CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES, HOWSOEVER CAUSED.

9. PATENTS

The Seller shall defend any suit for infringement brought against the Purchaser based solely upon the Purchaser's use of the equipment purchased hereunder. The Seller shall indemnify the Purchaser against any liability, damage, and expense incurred in connection with any such suit to an amount not to exceed the sum paid for the infringing equipment. If the Purchaser is enjoined from using such equipment, the Seller shall purchase such equipment from the Purchaser at the original purchase price. The Purchaser shall notify the Seller promptly of any such suit. If the Purchaser compromises or settles any such suit without the written consent of the Seller, the Seller shall be released from the obligation of this paragraph.

10. FORCE MAJEURE

A. No party will be liable for nonperformance of any of its obligations under the agreement if its nonperformance was due to a Force Majeure Event as defined in paragraph (B) of this Article, on condition that such party complies with the conditions in paragraph (C) of this Article.

B. A Force Majeure Event shall mean any act of God; pandemics; epidemics; or viral outbreaks; war; riot; civil strife; an act of terrorism, domestic or foreign; embargo; governmental rule, regulation or decree; flood, fire, hurricane, tornado, or other casualties; earthquake; strike, lockout, or other labor disturbance; the unavailability of labor or materials to the extent beyond the control of the party affected; or any other events or circumstances not within the reasonable control of the party affected, whether similar or dissimilar to any of the foregoing.

C. Upon the occurrence of a Force Majeure Event, the non-performing party shall promptly notify the other party that a Force Majeure Event has occurred, its anticipated effect on performance, including its expected duration. The non-performing party shall furnish the other party with periodic reports regarding the progress of the Force Majeure Event. The non-performing party shall use reasonable diligence to minimize damages and to resume performance.

11. LIMITATION OF TOTAL CUMULATIVE LIABILITY

The cumulative total liability of Seller, its subcontractors and their subcontractors, suppliers, agents, representatives, and employees, with respect to claims, costs, liabilities and damages under or related to this Contract or the performance or nonperformance of the Work, whether based on contract, warranty, tort (including negligence of any nature, whether sole or concurrent), strict liability or otherwise, shall not exceed in the aggregate an amount equal to the total price of the Contract paid to Seller. To the extent any provision of the Contract establishes a lower limit of liability of Seller with respect to a particular component or type of liability, such lower limit of liability shall control with respect to such component or type of liability, notwithstanding the cumulative total limitation of liability set forth above. The reasonable value of any corrective work performed by or on behalf of Seller shall be included toward the cumulative total liability of Seller as provided above.

12. EXCLUSION OF CONSEQUENTIAL DAMAGES

NOT WITHSTANDING ANY OTHER PROVISION OF THIS CONTRACT, SELLER SHALL HAVE NO LIABILITY WHATSOEVER TO OWNER FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL LOSS, INJURY OR DAMAGE OF ANY NATURE SUCH AS, BUT NOT LIMITED TO, LOSS OF INCOME, PROFIT, BUSINESS OPPORTUNITY OR PRODUCTION OR LOSS BY REASON OF PLANT SHUTDOWN, OR INCREASED USE OF RAW MATERIALS, ENERGY OR LABOR, CLAIMS OF CUSTOMERS, INCREASED FINANCING COSTS OR INSURANCE PREMIUMS, WHETHER BASED ON CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE OF ANY NATURE, WHETHER SOLE OR CONCURRENT), STRICT LIABILITY OR OTHERWISE.

13. EXCLUSION OF PUNITIVE DAMAGES

EXCEPT TO THE EXTENT PROSCRIBED BY THE LAWS OF THE JURISDICTION GOVERNING THIS CONTRACT, OWNER EXPRESSLY WAIVES ANY RIGHT TO CLAIM OR TO SEEK RECOVERY OF EXEMPLARY OR PUNITIVE DAMAGES FROM SELLER FOR ANY ACT OR OMISSION ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OR NONPERFORMANCE OF SELLER'S OBLIGATIONS UNDER THIS CONTRACT OR OTHERWISE.

14. SOLE TERMS

Failure of the Seller to object to provisions contained in customer's purchase orders or other communications shall not be deemed a waiver of the terms or conditions hereof or acceptance of such provisions. The printed terms hereon, combined with the other writings entered between the parties, are the entire contract and all the terms thereof. No oral statements, warranties, representations, stipulations, or terms have any binding effect or constitute a part of this contract.

Failure of the Purchaser to object in writing within five (5) days of receipt thereof to Terms of Sale contained in the Seller's acceptance and/or acknowledgment, or other communications, shall be deemed an acceptance of such Terms of Sale by Purchaser.

15. NO RIGHT OF OFFSET

Purchaser has no right to deduct or offset from the purchase price of the product any damages or costs incurred by Purchaser as a result of any action on the part of Seller or otherwise.

16. ATTORNEY FEES

In the event of any litigation or collection action arising out of the Buyer's purchase of products, Seller and its affiliates shall be entitled to reimbursement from Buyer for its actual attorney's fees and costs.