

**Dunkermotoren USA Inc.
Standard Terms and Conditions of Sale
January 25, 2011 (Rev. 3)**

1. **Applicable Terms.** These terms govern the sale of Products by Dunkermotoren. Whether these terms are included in an offer or an acceptance by Dunkermotoren, such offer or acceptance is conditioned on Buyer's assent to these terms. Any additional, different or conflicting terms contained in Buyer's request for proposal, specifications, purchase order or any other written or oral communication from Buyer shall not be binding in any way on Dunkermotoren. Dunkermotoren failure to object to any such additional, different or conflicting terms shall not operate as a waiver of these terms.

2. **Pricing & Payment.** The prices shall be: (a.) as stated in Dunkermotoren proposal or if none are stated, (b.) Dunkermotoren' standard prices in effect at the time of release for shipment. In the event of a price increase or decrease, the price of Products on order shall be adjusted to reflect such increase or decrease. This does not apply to a shipment held by request of Buyer. Products already shipped are not subject to price increase or decrease. Discounts, if any, are as specified on the latest discount sheets issued from time to time. Cash discounts are not applicable to notes or trade acceptances, to prepaid transportation charges when added to Dunkermotoren' invoices or to discountable items if there are undisputed past due items on the account. Cash discounts shall only be allowed on that portion of the invoice paid within the normal discount period.

(a) **Payment** - Unless otherwise stated, all payments shall be net 30 days from invoice date payable in United States Dollars.

(b) **Credit Approval** - All orders are subject to credit approval by Dunkermotoren. The amount of credit or terms of payment may be changed or credit withdrawn by Dunkermotoren at any time for any reason without advance notice. Dunkermotoren may, in its discretion, withhold further manufacture or shipment; require immediate cash payments for past and future shipments; or require other security satisfactory to Dunkermotoren before further manufacture or shipment is made; and may, if shipment has been made, recover the Products from the carrier, pending receipt of such assurances.

(c) **Installment Shipment** - If these terms require or authorize delivery of Products in separate shipments to be separately accepted by Buyer, Buyer may only refuse such portion of such shipment that fails to comply with the requirements of these terms. Buyer may not refuse to receive any lot or portion of hereunder for failure of any other lot or portion of a lot to be delivered or to comply with these terms, unless such right of refusal is expressly provided for on the face hereof. Buyer shall pay for each lot in accordance with the terms hereof. Payment shall be made for the Products without regard to whether Buyer has made or may make any inspection of the Products. Products held for Buyer are at Buyer's sole risk and expense.

(d) **Taxes, Shipping, Packing, Handling** - Except to the extent expressly stated in these terms, Dunkermotoren prices do not include any freight, storage, insurance, taxes, excises, fees, duties or other government charges related to the Product, and Buyer shall pay such amounts or reimburse Dunkermotoren for any amounts Dunkermotoren pays. If Buyer claims a tax or other exemption or direct payment permit, it shall provide Dunkermotoren with a valid exemption certificate or permit and indemnify, defend and hold Dunkermotoren harmless from any taxes, costs and penalties arising out of same. Dunkermotoren' prices include the costs of its standard domestic packing only. Any deviation from this standard packing (domestic or export), including U.S. Government sealed packing, shall result in extra charges. To determine such extra charges, consult Dunkermotoren sales offices. Any and all increases, changes, adjustments or surcharges (including, without limitation, fuel surcharges) which may be in connection with the freight charges, rates or classification included as part of these terms, shall be for the Buyers account. Orders of less than \$400 are subject to a \$25 handling fee.

(e) **Finance Charge** - Buyer agrees to pay FINANCE CHARGES on the unpaid balance of all overdue invoices, less any applicable payments and credits, from the date each invoice is due and payable at an ANNUAL PERCENTAGE RATE of EIGHTEEN PERCENT (18%), or the highest applicable and lawful rate on such unpaid balance, whichever is lower.

(f) **Disputed Invoice** - In the event Buyer disputes any portion or all of an invoice, it shall notify Dunkermotoren in writing of the amount in dispute and the reason for its disagreement within 21 days of receipt of the invoice. The undisputed portion shall be paid when due, and FINANCE CHARGE on any unpaid portion shall accrue, from the date due until the date of payment, to the extent that such amounts are finally determined to be payable to Dunkermotoren.

(g) **Collection.** Upon Buyers default of these terms, Dunkermotoren may, in addition to any other rights or remedies at contract or law, subject to any cure right of Buyer, declare the entire balance of Buyers account immediately due and payable or foreclose any security interest in Products delivered. If any unpaid balance is referred for collection, Buyer agrees to pay Dunkermotoren, to the extent permitted by law, reasonable attorney fees in addition to all damages otherwise available, whether or not litigation is commenced or prosecuted to final judgment, plus any court costs or expenses incurred by Dunkermotoren, and any FINANCE CHARGES accrued on any unpaid balance owed by Buyer.

3. **Delivery; Title; Risk of Loss; Same Day Shipment.** Product shall be delivered Ex Works (Incoterms 2010) Dunkermotoren USA Inc. point of shipment with title to the Product and risk of loss or damage for the Product passing to Buyer at that point. Buyer shall be responsible for all transportation, insurance and related expenses including any associated taxes, duties or documentation. Dunkermotoren may make partial shipments. Shipping dates are approximate only and Dunkermotoren shall not be liable for any loss or expense (consequential or otherwise) incurred by Buyer or Buyer's customers if Dunkermotoren fails to meet the specified delivery schedule. Orders must be received by Noon (Central Time) to be eligible for same day shipping but shipping dates are in any case approximate and are based upon prompt receipt of all necessary information.

4. **Deferment and Cancellation.** Buyer shall have no deferment rights and Buyer shall be liable for cancellation charges, which shall include without limitation

a) payment of the full product price for any finished Product or works in progress;

b) payment for raw materials ordered pursuant to a firm purchase order; and

c) such other direct costs incurred by Dunkermotoren as a result of such cancellation.

5. Force Majeure / Delays. If Dunkermotoren suffers delay in performance due to any cause beyond its reasonable control, including without limitation acts of God, strikes, labor shortage or disturbance, fire, accident, war or civil disturbance, delays of carriers, failure of normal sources of supply, or acts of government, the time of performance shall be extended a period of time equal to the period of the delay and its consequences. Dunkermotoren will give to Buyer notice within a reasonable time after Dunkermotoren becomes aware of any such delay

6. Buyer's Requirements. Timely performance by Dunkermotoren is contingent upon Buyer's supplying to Dunkermotoren all required technical information and data, including drawing approvals, and all required commercial documentation.

7. Limited Warranty. (a.) Limited Product Warranty Statements. For each Product purchased from Dunkermotoren or an authorized reseller, Dunkermotoren makes the following limited warranties: (i) the Product is free from defects in material and workmanship, (ii) the Product materially conforms to Dunkermotoren's specifications that are attached to, or expressly incorporated by reference into, these terms, and (iii) at the time of delivery, Dunkermotoren has title to the Product free and clear of liens and encumbrances (collectively, the "Limited Warranties"). Warranties with respect to software which may be furnished by Seller as part of the Product, if any, are expressly set forth elsewhere in these terms. The Limited Warranties set forth herein do not apply to any software furnished by Dunkermotoren. If software is furnished by Dunkermotoren, then the attached Software License/Warranty Addendum shall apply.

(b.) Conditions to the Limited Warranties. The Limited Warranties are conditioned on (i) Buyer storing, installing, operating and maintaining the Product in accordance with Dunkermotoren's instructions, (ii) no repairs, modifications or alterations being made to the Product other than by Dunkermotoren or its authorized representatives, (iii) using the Product within any conditions or in compliance with any parameters set forth in specifications that are attached to, or expressly incorporated by reference into, these terms, (iv) Buyer discontinuing use of the Product after it has, or should have had, knowledge of any defect in the Product, (v) Buyer providing prompt written notice of any warranty claims within the warranty period described below, (vi) at Dunkermotoren's discretion, Buyer either removing and shipping the Product or non-conforming part thereof to Dunkermotoren, at Buyer's expense, or Buyer granting Dunkermotoren access to the Products at all reasonable times and locations to assess the warranty claims, and (vii) Buyer not being in default of any payment obligation to Dunkermotoren under these terms.

(c.) Exclusions from Limited Warranty Coverage. The Limited Warranties specifically exclude any equipment comprising part of the Product that is not manufactured by Dunkermotoren or not bearing its nameplate. To the extent permitted, Dunkermotoren hereby assigns any warranties made to Dunkermotoren for such equipment. Dunkermotoren shall have no liability to Buyer under any legal theory for such equipment or any related assignment of warranties. Additionally, any Product that is described as being experimental, developmental, prototype, or pilot is specifically excluded from the Limited Warranties and is provided to Buyer "as is" with no warranties of any kind. Also excluded from the Limited Warranties are normal wear and tear items including any expendable items that comprise part of the Product, such as but not limited to fuses, brushes, ball bearings and gear parts.

(d.) Limited Warranty Period. Buyer shall have 12 months from initial operation of the Product or 18 months from shipment, whichever occurs first, to provide Dunkermotoren with prompt, written notice of any claims of breach of the Limited Warranties. Continued use or possession of the Product after expiration of the warranty period shall be conclusive evidence that the Limited Warranties have been fulfilled to the full satisfaction of Buyer, unless Buyer has previously provided Dunkermotoren with notice of a breach of the Limited Warranties.

(e.) Remedies for Breach of Limited Warranty. Buyer's sole and exclusive remedies for any breach of the Limited Warranties are limited to Dunkermotoren's choice of repair or replacement of the Product, or non-conforming parts thereof, or refund of all or part of the purchase price. Buyer shall return the Products to the Dunkermotoren's plant, after having received written Return Material Authorization (RMA) approval from Dunkermotoren, shipping charges prepaid and with complete information as to alleged defects and the installation, operation and service of the products. The warranty on repaired or replaced parts of the Product shall be limited to the remainder of the original warranty period. Unless otherwise agreed to in writing by Dunkermotoren, (i) Buyer shall be responsible for any labor required to gain access to the Product so that Dunkermotoren can assess the available remedies and (ii) Buyer shall be responsible for all costs of installation of repaired or replaced Products. All exchanged Products replaced under this Limited Warranty will become the property of Dunkermotoren.

(f.) Transferability. The Limited Warranties shall be transferable during the warranty period to the initial end-user of the Product. THE LIMITED WARRANTIES SET FORTH IN THIS SECTION ARE DUNKERMOTOREN'S SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO THE LIMITS OF LIABILITY SET FORTH IN SECTION 8 BELOW. DUNKERMOTOREN MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

8. LIMITATION OF LIABILITY. NEITHER DUNKERMOTOREN, NOR ITS SUPPLIERS, SHALL BE LIABLE, WHETHER IN CONTRACT, WARRANTY, FAILURE OF A REMEDY TO ACHIEVE ITS INTENDED OR ESSENTIAL PURPOSES, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY, FOR LOSS OF USE, REVENUE, SAVINGS OR PROFIT, OR FOR COSTS OF CAPITAL OR OF SUBSTITUTE USE OR PERFORMANCE, OR FOR INDIRECT, SPECIAL, LIQUIDATED, PUNITIVE, EXEMPLARY, COLLATERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS OR COST OF A SIMILAR TYPE, OR FOR CLAIMS BY BUYER FOR DAMAGES OF BUYER'S CUSTOMERS. DUNKERMOTOREN'S MAXIMUM LIABILITY UNDER THIS CONTRACT SHALL BE THE ACTUAL PURCHASE PRICE RECEIVED BY DUNKERMOTOREN FOR THE PRODUCT AT ISSUE OR ONE MILLION DOLLARS, WHICHEVER IS LESS. BUYER AGREES THAT THE EXCLUSIONS AND LIMITATIONS SET FORTH IN THIS ARTICLE ARE SEPARATE AND INDEPENDENT FROM ANY REMEDIES WHICH BUYER MAY HAVE HEREUNDER AND SHALL BE GIVEN FULL FORCE AND EFFECT WHETHER OR NOT ANY OR ALL SUCH REMEDIES SHALL BE DEEMED TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. THESE LIMITATIONS OF LIABILITY ARE EFFECTIVE EVEN IF DUNKERMOTOREN HAS BEEN ADVISED BY THE BUYER OF THE POSSIBILITY OF SUCH DAMAGES.

9. Patent and Copyright Infringement. Dunkermotoren will, at its own expense, defend or at its option settle any suit or proceeding brought against Buyer in so far as it is based on an allegation that any Product (including parts thereof), or use thereof for its intended purpose, constitutes an infringement of any United States patent or copyright, if Dunkermotoren is promptly provided notice and given authority, information, and assistance in a timely manner for the defense of said suit or proceeding. Dunkermotoren will pay the damages and costs awarded in any suit or proceeding so defended. Dunkermotoren will not be responsible for any settlement of such suit or proceeding made without its prior written consent. In case the Product, or any part thereof, as a result of any suit or proceeding so defended is held to constitute infringement or its use by Buyer is enjoined, Dunkermotoren will, at its option and its own expense, either: (a) procure for Buyer the right to continue using said Product; (b) replace it with substantially equivalent non-infringing Product; or (c) modify the Product so it becomes non-infringing.

Dunkermotoren will have no duty or obligation to Buyer under this Article to the extent that the Product is (a) supplied according to Buyer's design or instructions wherein compliance therewith has caused Dunkermotoren to deviate from its normal course of performance, (b) modified by Buyer or its contractors after delivery, (c) combined by Buyer or its contractors with devices, methods, systems or processes not furnished hereunder and by reason of said design, instruction, modification, or combination a suit is brought against Buyer. In addition, if by reason of such design, instruction, modification or combination, a suit or proceeding is brought against Dunkermotoren, Buyer shall protect Dunkermotoren in the same manner and to the same extent that Dunkermotoren has agreed to protect Buyer under the provisions of the Section above.

THIS ARTICLE IS AN EXCLUSIVE STATEMENT OF ALL THE DUTIES OF THE PARTIES RELATING TO PATENTS AND COPYRIGHTS, AND DIRECT OR CONTRIBUTORY PATENT OR COPYRIGHT AND OF ALL THE REMEDIES OF BUYER RELATING TO ANY CLAIMS, SUITS, OR PROCEEDINGS INVOLVING PATENTS AND COPYRIGHTS.

10. Compliance with Laws. Buyer agrees to comply with all applicable laws and regulations relating to the purchase, resale, exportation, transfer, assignment, disposal or use of the goods.

Buyer acknowledges that the Products and any technical data related to the Products may be controlled for export by the U.S. Department of Commerce or Department of State and that such items may require authorization prior to export from the United States or re-export. Buyer agrees that it will not export, re-export, or otherwise distribute the Products or any technical data related thereto, in violation of any export control laws or regulations of the United States.

11. Changes in Work and Product Changes.. Dunkermotoren shall not implement any changes in the scope of work unless Buyer and Dunkermotoren agree in writing to the details of the change and any resulting price, schedule or other contractual modifications. Any change to any law, rule, regulation, order, code, standard or requirement which requires any change hereunder shall entitle Dunkermotoren to an equitable adjustment in the prices and any time of performance.

Seller may, at any time and without notice, make changes (whether in design, material, improvements or otherwise) in any Products, and may discontinue the manufacture of any Products, without incurring any obligations of any kind as a result thereof.

12. Non-waiver of Default. Each shipment made hereunder shall be considered a separate transaction. In the event of any default by Buyer, Dunkermotoren may decline to make further shipments. If Dunkermotoren elects to continue to make shipments, Dunkermotoren actions shall not constitute a waiver of any default by Buyer or in any way affect Dunkermotoren legal remedies for any such default. Any waiver of Dunkermotoren to require strict compliance with the provisions of this contract shall be in writing and any failure of Dunkermotoren to require such strict compliance shall not be deemed a waiver of Dunkermotoren's - right to insist upon strict compliance thereafter.

13. Final Written Agreement; Modification of Terms. These terms, together with any quotation, purchase order or acknowledgement issued or signed by Dunkermotoren, comprise the complete and exclusive agreement between the parties (the .Agreement.) and supersede any terms contained in Buyers documents, unless separately signed by Dunkermotoren. These terms may only be modified by a written instrument signed by authorized representatives of both parties.

14. Assignment. Neither party may assign the Agreement, in whole or in part, nor any rights or obligations hereunder without the prior written consent of the other; provided however that Dunkermotoren may assign its rights and obligations under these terms to its affiliates and Dunkermotoren may grant a security interest in the Agreement and/or assign proceeds of the Agreement without Buyer.s consent.

15. Applicable Law and Jurisdiction. These terms is governed and construed in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles. The application of the United Nations Convention on Contracts for the International Sale of Goods is excluded. **BUYER WAIVES ALL RIGHTS TO A JURY TRIAL IN ANY ACTION OR PROCEEDING RELATED IN ANY WAY TO THESE TERMS.**

With respect to transactions to which the 1980 United Nations Convention for the International Sale of Goods (UNCISG) would otherwise apply and notwithstanding the venue to which the parties to a particular order may have agreed for dispute resolution, the rights and obligations of the Parties hereto including these Terms and Conditions shall not be governed by the provisions of the UNCISG.

16. Severability. If any provision of these terms is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

Software License/Warranty Addendum Dunkermotoren USA Inc. ("Dunkermotoren")

This Article 1 Addendum supplements Dunkermotoren's Standard Terms and Conditions of Sale and in particular but not limited to Article 7 ("Limited Warranty") and applies to software furnished by Dunkermotoren. All other Articles contained in Dunkermotoren's Standard Terms and Conditions of Sale are incorporated herein by reference.

1. Software License SOFTWARE, Warranty, Fees. (a) Dunkermotoren hereby grants to Buyer: a non-exclusive, non-transferable right to use the computer software program licensed under this Contract in machine-readable, object code form and any modifications made by Dunkermotoren thereto ("Software"), but only in connection with the configuration of the goods and operating system for which the Software is ordered and for the end-use purpose stated in the related Dunkermotoren operating documentation. Buyer agrees that neither it nor any third party shall modify, reverse engineer, decompile or reproduce the Software, without Dunkermotoren's prior written consent, except for making a single copy for backup or archival purposes in accordance with the related Dunkermotoren operating documentation, and provided that Dunkermotoren's confidential and proprietary legend is included. Except to the extent that the parties otherwise agree in writing, Buyer's license to use the copy of such Software shall terminate upon breach of this license or the Contract by Buyer, including, without limitation, breach of payment or confidentiality obligations. All copies of the Software are the property of Dunkermotoren, and all copies for which the license is terminated shall be returned to Dunkermotoren promptly after termination.

(b) Dunkermotoren may authorize Buyer (such as a Dunkermotoren distributor or original equipment manufacturer) to transfer this software license and warranty to a third party ("Dunkermotoren-authorized transferee"). Such authorization to transfer shall be in writing and signed by a Dunkermotoren authorized representative. Dunkermotoren-authorized transferee shall have the same rights and obligations as Buyer, except it shall not have the right to transfer such license.

(c) Dunkermotoren warrants that on the date of shipment of the Software only to Buyer or Buyer's Dunkermotoren-authorized transferee hereunder that: (1) the Software media contain a true and correct copy of the Software and are free from material defects; (2) Dunkermotoren has the right to grant the license hereunder; and (3) the Software will function substantially in accordance with the related Dunkermotoren operating documentation. Dunkermotoren disclaims any warranty that the operation of the Software will be uninterrupted or error free. This warranty does not apply to software delivered by Dunkermotoren but produced by others. The warranty for software produced by others shall be the warranty as stated by the software producer.

(d) If within one (1) year from date of initial installation (but not more than eighteen (18) months from date of shipment by Dunkermotoren to Buyer) of Software, Buyer or its Dunkermotoren-authorized transferee hereunder discovers that the Software is not as warranted above and promptly notifies Dunkermotoren in writing, within this period of time, of the nonconformity, and if Dunkermotoren cannot correct the nonconformity or deems correction to be commercially impracticable or prohibitively expensive, Buyer's and Buyer's Dunkermotoren-authorized transferee's exclusive remedies, at Dunkermotoren's option and expense, are: (1) replacement of the nonconforming Software; or (2) termination of this license and a refund of an equitable, pro rata share of the Contract price or license fee paid.

(e) This warranty will apply for the period specified in (d) above, provided that: (1) the Software is not modified, changed, or altered by anyone other than Dunkermotoren or its suppliers, unless authorized by Dunkermotoren in writing; (2) there is no change by anyone other than Dunkermotoren to the goods for which the Software is ordered; (3) the goods are in good operating order and are installed in a suitable operating environment; (4) the nonconformity is not caused by Buyer, Buyer's Dunkermotoren-authorized transferee, or any of their agents, servants, employees, or contractors, or any third party; (5) Buyer or Buyer's Dunkermotoren-authorized transferee promptly notifies Dunkermotoren in writing, within the period of time set forth in (d) above, of the nonconformity after it is discovered; and (6) all fees for the Software due to Dunkermotoren have been paid. **DUNKERMOTOREN HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE SOFTWARE, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.**

(f) Buyer and successors of Buyer are limited to the remedies specified in this Article 1 and shall have no others for a nonconformity in the Software. Buyer agrees that these remedies provide Buyer and its successors with a minimum adequate remedy and are their exclusive remedies, whether Buyer's or successors' remedies are based on contract, warranty, tort (including negligence), strict liability, indemnity, or any other legal theory, and whether arising out of warranties, representations, instructions, operating documentation, installations, or non-conformities from any cause.

(g) Unless otherwise provided in this Contract, the fees for this Software license are included in the purchase price of the goods. Any subsequent modifications or enhancements to the Software made by Dunkermotoren are, at Dunkermotoren's option, subject to a fee.