

**BAILEIGH INDUSTRIAL, INC.**  
**TERMS AND CONDITIONS OF SALE**

These terms and conditions shall apply to all orders entered into by and between any distributor or any end-user of the Goods, whichever the case may be ("Buyer") and Baileigh Industrial, Inc. ("Seller"). These terms and conditions and any Seller quotation form submitted herewith or separately shall be collectively referred to hereinafter as the "Agreement." Seller shall accept orders, sell Goods, and do business only upon these terms and conditions. The term "Goods" means all items sold and/or provided by Seller to Buyer, whether goods, materials, products to be manufactured and delivered, services to be rendered, or any combination thereof.

**Price.** If any price quotation is stated on the face hereof, such price quotation shall be good only for a period of thirty (30) days from the date of such quote. Thereafter, the price for Goods sold hereunder shall be the Seller's price in effect as of the date of shipment. All prices are F.O.B., the Seller's plant of manufacture, unless otherwise stated. Prices also do not include any federal, state, or local taxes or other governmental charges upon or with respect to the sale, purchase, manufacture, delivery, storage, processing, use, or consumption of any of the Goods provided hereby. Prices are stated and payable in U.S. dollars.

**Cancellation.** Buyer may not suspend or cancel orders placed with Seller, except with Seller's prior written consent and then only if Buyer reimburses Seller for all losses incurred due to such suspension or cancellation, including without limitation, all incidental and consequential damages and expenses arising therefrom. Direction from Buyer to suspend or cancel any order may be treated as repudiation, making Buyer immediately liable for loss, expense and other damages sustained.

**Delivery.** If the Goods involve the provision of services, title and risk of loss to such Goods shall pass to Buyer upon delivery of the services to Buyer. In all other cases, title to and risk of loss for the Goods shall pass to Buyer upon delivery of the Goods by Seller to the common carrier for delivery. If Buyer does not specify shipping instructions, Buyer hereby authorizes Seller to make shipping arrangements on Buyer's behalf and Buyer shall be responsible for all costs and expenses associated therewith. All timeframes provided by Seller, whether verbally or in writing, are good faith estimates of the expected delivery date for the Goods. Seller shall use commercially reasonable efforts to fill Buyer's orders within the time stated but in no event shall Seller be liable for any damages associated with Seller's inability to meet any such timeframes or deadlines, including but not limited to incidental or consequential damages arising therefrom.

**Inspection & Acceptance.** Buyer shall inspect all Goods within a reasonable period of time after delivery, not to exceed ten (10) days. If Buyer rejects any Goods, Buyer must first obtain a Return Authorization Number ("RAN") before returning any goods to Seller. Goods returned without a RAN will be refused. Seller will not be responsible for any freight costs, damages to goods, or any other costs or liabilities pertaining to goods returned without a RAN. Seller shall have the right to substitute a conforming tender. Buyer will be responsible for all freight costs to and from Buyer and repackaging costs, if any, if Buyer refuses to accept shipment. If Goods are returned in unsaleable condition, Buyer shall be responsible for full value of the Goods. Buyer may not return any special order Goods. Any Goods returned hereunder shall be subject to a restocking fee equal to 30% of the invoice price.

**Specifications.** Seller may, at its option, make changes in the designs, specifications or components of the Goods to improve the safety of such Goods, or if in Seller's judgment, such changes will be beneficial to their operation or use. Buyer may not make any changes in the specifications for the Goods unless Seller approves of such changes in writing, in which event Seller may impose additional charges to implement such changes.

**Limited Warranty.** Seller warrants to the original end-user that the Goods manufactured or provided by Seller under this Agreement shall be free of defects in material or workmanship for a period of twelve (12) months from the date of purchase, provided that the Goods are installed, used, and maintained in accordance with any instruction manual or technical guidelines provided by the Seller or supplied with the Goods, if applicable. The original end-user must give written notice to Seller of any suspected defect in the Goods prior to the expiration of the warranty period. The original end-user must also obtain a RAN from Seller prior to returning any Goods to Seller for warranty service under this paragraph. Seller will not accept any responsibility for Goods returned without a RAN. The original end-user shall be responsible for all costs and expenses associated with returning the Goods to Seller for warranty service. In the event of a defect, Seller, at its sole option, shall repair or replace the defective Goods or refund to the original end-user the purchase price for such defective Goods. The foregoing warranty is Seller's sole obligation, and the original end-user's exclusive

remedy, with regard to any defective Goods. This limited warranty does not apply to: (a) die sets, tooling, and saw blades; (b) periodic or routine maintenance and setup, (c) repair or replacement of the Goods due to normal wear and tear, (d) defects or damage to the Goods resulting from misuse, abuse, neglect, or accidents, (e) defects or damage to the Goods resulting from improper or unauthorized alterations, modifications, or changes; and (f) any Goods that has not been installed and/or maintained in accordance with the instruction manual or technical guidelines provided by Seller.

**EXCLUSION OF OTHER WARRANTIES.** THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. ANY AND ALL OTHER EXPRESS, STATUTORY OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED. NO WARRANTY IS MADE WHICH EXTENDS BEYOND THAT WHICH IS EXPRESSLY CONTAINED HEREIN.

**LIMITATION OF LIABILITY.** IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR DOWN TIME) ARISING FROM OR IN MANNER CONNECTED WITH THE GOODS, ANY BREACH BY SELLER OR ITS AGENTS OF THIS AGREEMENT, OR ANY OTHER CAUSE WHATSOEVER, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY OF LIABILITY. BUYER'S REMEDY WITH RESPECT TO ANY CLAIM ARISING UNDER THIS AGREEMENT IS STRICTLY LIMITED TO NO MORE THAN THE AMOUNT PAID BY THE BUYER FOR THE GOODS.

**Force Majeure.** Seller shall not be responsible for any delay in the delivery of, or failure to deliver, Goods due to causes beyond Seller's reasonable control including, without limitation, acts of God, acts of war or terrorism, enemy actions, hostilities, strikes, labor difficulties, embargoes, non-delivery or late delivery of materials, parts and equipment or transportation delays not caused by the fault of Seller, delays caused by civil authorities, governmental regulations or orders, fire, lightning, natural disasters or any other cause beyond Seller's reasonable control. In the event of any such delay, performance will be postponed by such length of time as may be reasonably necessary to compensate for the delay.

**Installation.** If Buyer purchases any Goods that require installation, Buyer shall, at its expense, make all arrangements and connections necessary to install and operate the Goods. Buyer shall install the Goods in accordance with any Seller instructions and shall indemnify Seller against any and all damages, demands, suits, causes of action, claims and expenses (including actual attorneys' fees and costs) arising directly or indirectly out of Buyer's failure to properly install the Goods.

**Work By Others; Safety Devices.** Unless agreed to in writing by Seller, Seller has no responsibility for labor or work performed by Buyer or others, of any nature, relating to design, manufacture, fabrication, use, installation or provision of Goods. Buyer is solely responsible for furnishing, and requiring its employees and customers to use all safety devices, guards and safe operating procedures required by law and/or as set forth in manuals and instruction sheets furnished by Seller. Buyer is responsible for consulting all operator's manuals, ANSI or comparable safety standards, OSHA regulations and other sources of safety standards and regulations applicable to the use and operation of the Goods.

**Remedies.** Each of the rights and remedies of Seller under this Agreement is cumulative and in addition to any other or further remedies provided under this Agreement or at law or equity.

**Attorney's Fees.** In the event legal action is necessary to recover monies due from Buyer or to enforce any provision of this Agreement, Buyer shall be liable to Seller for all costs and expenses associated therewith, including Seller's actual attorneys' fees and costs.

**Governing Law/Venue.** This Agreement shall be construed and governed under the laws of the State of Wisconsin, without application of conflict of law principles. Each party agrees that all actions or proceedings arising out of or in connection with this Agreement shall be commenced, tried, and litigated only in the state courts sitting in Manitowoc County, Wisconsin or the U.S. Federal Court for the Eastern District of Wisconsin. Each party waives any right it may have to assert the doctrine of "forum non conveniens" or to object to venue to the extent that any proceeding is brought in accordance with this section. Each party consents to and waives any objection to the exercise of personal jurisdiction over it by courts described in this section. EACH PARTY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW THE RIGHT TO A TRIAL BY JURY.

My signature indicates my agreement to these terms \_\_\_\_\_ (signature)