



TERMS AND CONDITIONS OF SALE

CUSTOMER NAME
CUSTOMER ADDRESS

PROPOSAL NO.
DATE

FORM 107-C
REV. 03/09/18

SHIPMENT AND DELIVERY

The proposed shipment date of this equipment is approximate and is dependent upon conditions in the Seller's plant at the time the order is received and receipt of all information required from the Buyer.

If the Buyer fails to furnish needed information, or delays approval of drawing submittals beyond a mutually agreed timeframe for approval, dates of shipment may be extended.

Shipment shall be made FOB, the Seller's factory unless otherwise stated. All transportation charges incurred by the Seller shall be billed to and paid by the Buyer.

PAYMENT TERMS

All payments are due **NET 30 DAYS** or as otherwise proposed by the Seller.

Purchase orders, also referred to herein as agreements, shall specifically refer to this proposal number.

All payments are to be made in U.S.A. dollars at par, New York Exchange. Pro rata payments will become due as shipments are made and/or work is completed as per the above terms. If shipments are delayed by the Buyer, payment will become due when the work is completed and/or the Seller is prepared to make shipment. If manufacture is delayed by the Buyer, payment shall become due and be made on the percentage of equipment completed based on the contract price. Time is of the essence in regards to all payments required herein.

WARRANTY

The Seller warrants equipment of its manufacture to be free from defective material and workmanship for a period of **twelve (12) months** from date of shipment from the factory, or from date of assignment to storage at Buyer's request, when given normal and proper usage and while owned by the original Buyer. This warranty is not assignable by Buyer. The Buyer shall follow all recommended and normative maintenance practices for the equipment supplied to keep the warranty intact. Upon the expiration of the warranty period all such liability shall terminate.

The Buyer shall notify the Seller immediately of any defect in the equipment or any of its parts. Any claim of defective material or workmanship must be verified by Seller. Buyer shall hold and make available or return the item to Seller, as requested, for inspection and testing by Seller. Buyer shall pay all shipping expenses. If such correction requires the replacement of a defective part, Seller's liability shall be limited to the replacement or repair of the defective part, whichever Seller deems necessary to comply with the warranty, FOB at Seller's factory.

Seller shall not be responsible for any charges for work performed by Buyer in making adjustments or repairs to the equipment unless such work has been authorized in writing by the Seller. Nor shall the Seller be responsible for any secondary processes or equipment integrated with Seller's supply by the Buyer or any third party to form an overall manufacturing process.

Equipment or component not of the Seller's own manufacture is sold under such warranty only as the makers thereof give the Seller and the Seller is able to enforce, but such items are not warranted by the Seller in any way. When any components are sold to be assembled in combination with an overall machine design, the warranty is limited to each separate component and not upon any combination as such. Warranty does not apply to consumable or normal wear and tear replacement items. Additionally, Seller disclaims any and all liability for products or items that are in any way changed or modified by Buyer or any third party from the products delivered by Seller without written authorization.

No other warranties, expressed, implied, or statutory, including any implied warranty of merchantability or of fitness for a particular purpose shall be applicable to any equipment, parts or service or software sold or delivered hereunder. The preceding paragraphs of this Warranty Section shall constitute the customer sole right and remedy under these standard sales terms and conditions.

ACCEPTANCE, MODIFICATION AND CANCELLATION

Purchase agreements and any subsequent or modified purchase agreements, shall not be binding on Seller absent an express written assent by Seller, signed by an authorized representative of Seller. Any and all purchase agreements and any subsequent or modified purchase agreements automatically incorporate the terms and conditions of this proposal govern this transaction and take precedence over any other terms and conditions, unless the parties expressly agree in writing, executed by Buyer and Seller, to modify any of these terms and conditions. If any terms and conditions are subsequently modified, the remaining unmodified terms of this proposal are incorporated into any subsequent versions or modified purchase agreements. It is the express agreement of the parties that the terms and conditions set forth herein shall apply to all purchase orders related to this project regardless of whether they are referenced or attached thereto. Any proposed modification of these terms and conditions sent in response to the proposal will not be considered accepted by Seller absent an express written assent by Seller, signed by an authorized representative of Seller. In the event a contract is formed or modified by the conduct of the parties, the Buyer and Seller expressly agree the terms and conditions of this proposal, as may be modified in accordance with this paragraph, supersede and apply over any terms formulated through such conduct.

Orders accepted by the Seller may be cancelled only with its consent and upon payment of reasonable cancellation charges which shall include, but not be limited to, all expenses already incurred, re-stocking charges and commercial commitments made by the Seller on Buyer's behalf which require an orderly stoppage.

SPECIFICATIONS

The equipment proposed and described is an original machine and/or standard machine design manufactured using Taylor-Winfield Technologies, Inc. (hereinafter referred to as the Seller) standard manufacturing practices. Therefore, we take general exception to any machine, process or manufacturing specifications other than those described by the Seller unless otherwise agreed in writing. Seller will, however, endeavor to follow a Buyer's guidelines and component or product preference as long as they are readily available, do not interfere with the proper operation of the equipment, and do not require redesign or additional cost.

General specifications not referenced shall be in accordance with the engineering judgment and the design and manufacturing practices of the Seller. Layout drawings and diagrams shall be reviewed with Buyer's personnel prior to manufacture, if requested. Nothing herein shall be interpreted as an understanding or agreement that detailed shop working drawings or patterns will be furnished for any part of the equipment offered.

TAXES AND FEES

The amount of any sales, use, excise, or similar taxes applicable to the equipment sold, imposed upon and paid by the Seller, shall be added to the purchase price or subsequently billed to the Buyer as a separate item.

Various States and Municipalities may require a fee or an inspection of installed equipment. No provision is made for such fee or inspection in the prices quoted or shipment schedules included herein. Any inspection required, and all costs associated with it, are the responsibility of the Buyer.

PRODUCTION RATES

Statements on production rates or machine cycle times, or time studies contained in this proposal, unless they are specifically said to be guaranteed, are estimates only and not guaranteed figures. The estimates are for machine speed only and do not allow for the type of material being processed, number of operators attending the machine,

their speed, dexterity or motivation nor speeds of user's line equipment. Also, downtime for suitable machine maintenance is not taken into account in estimates, but must be considered.

SAFETY GUARDING

See Form SO-43.

INSTALLATION AND ON-SITE FIELD SERVICE SUPPORT

All equipment shall be installed by and at the expense of the Buyer. Start-up, commissioning and other routine field service support is available as outlined in attached Terms of Sale, Form SO-14 (inside North America) or SO-14A (outside North America) at rates in effect at the time such service is provided.

SELLER'S RESPONSIBILITY

The Seller shall not be liable for loss, damage, detention, delay and failure to deliver all or part of the equipment, parts, service or software resulting from causes beyond its reasonable control, including, but not limited to, any act of god, fire, strike, insurrection or riot, embargoes, car shortages, wrecks or delays in transportation, inability of the Seller to obtain supplies and raw materials, requirements or regulations of the United States Government and any other civil or military authority, or by the Seller's acceptance of United States Government contracts.

Seller has TÜV Nord Certified Machinery Safety Experts (CMSE®) on staff. A safety risk review and assessment is performed on all new manufactured capital equipment products according to ISO 12100. A preliminary and final safety risk review and assessment for custom engineered systems will be performed by a cross-functional team of engineers with customer representatives requested to participate in this process.

The assessment report may result in recommendations to the Buyer for action to be taken to safeguard against identified potential hazards.

RETURN OF EQUIPMENT OR PARTS

Equipment or parts shall not be returned without written authorization and instructions from the Seller, nor will returned equipment or parts be accepted at Seller's factory without identification by the Buyer in accordance with such instructions.

ERRORS

All typographical and clerical errors are subject to correction.

PATENTS

Except as provided herein, the Seller agrees to defend any suit or proceeding brought against the Buyer based on a claim that equipment or parts furnished hereunder constitutes a direct infringement of a United States patent covering the equipment or parts if notified promptly of all infringement notices received by the Buyer and subsequent correspondence and conferences relating thereto and given authority, information and assistance for the defense of said suit or proceeding.

The Buyer is responsible for and shall protect, indemnify and hold harmless Seller from and against any and all claims, damages, obligations, liabilities, causes of action and costs including attorneys arising out of, or related to, any patent infringement involving, in whole or in part, the conjoined use of the equipment or parts furnished hereunder with other apparatus not supplied by Seller, except as described in the following paragraph.

If the patent infringement as provided in the preceding paragraph is caused solely by the equipment or parts furnished by Seller, the Seller shall, at its own option and expense, either redesign and reconstruct the equipment or parts to avoid a verified patent infringement; or replace the equipment or parts with non-infringing equipment; or produce a license for the continued use of the equipment; or remove the equipment and refund the purchase price less 20% for each year or fraction thereof since it was shipped to Buyer.

Any invention, disclosures, or information developed or acquired by the Seller in the performance of any order on this proposal shall remain the property of the Seller. The Seller shall be under no obligation to refrain from using in its business any information, manufacturing processes or un-patented disclosures that may pass to it from the Buyer in the performance of any order. No liability, including without limitation the Buyer's semi or finished part design and/or materials produced with the supplied equipment or parts, other than that expressly stated herein, is assumed by the Seller.

INSOLVENCY

Either Party may terminate this Agreement, in whole or in part, as allowed by law, if the other Party: (a) becomes or is declared insolvent or is the subject of any liquidation or insolvency proceedings, including, but not limited to, the appointment of a receiver or similar officer for such Party; (b) makes an assignment for the benefit of all or substantially all of its creditors; (c) enters into an agreement for the composition, extension, or readjustment of all or substantially all of its debts or obligations; or (d) files a voluntary bankruptcy petition or has an involuntary bankruptcy petition filed against it and either the voluntary or involuntary petition is not dismissed within sixty (60) calendar days of the petition's filing.

LIMITS OF LIABILITY

Buyer and Seller are equally commercially sophisticated parties and each has had the opportunity to review the terms of this proposal with counsel, prior to entering into the purchase agreement. This agreement is strictly limited to the supply of equipment, parts or services described herein. Seller assumes no liability for use or application of the equipment or parts for any other purpose other than those described herein. In no event shall either party be liable to the other, whether in contract, warranty, tort, statute, indemnification or otherwise for special, indirect, incidental or consequential damages of any kind or nature, whatsoever. This limit is applicable to any and all category of damages which may arise from this agreement. The Seller's liability for any and all damages, inclusive of any attorney fees, costs or any other category of damages, is expressly limited to, and shall not exceed the total contract price amount paid by Buyer. Upon the expiration of the warranty period, all such potential liability shall terminate.

Acceptance of the equipment by the Buyer upon its delivery shall constitute a waiver of all claims for loss or damage due to delay. The Seller disclaims any and all liability for loss, damage, injury or any other type of damage resulting from improper use of the equipment.

CREDIT

In the event that any credit is extended by Seller to Buyer as part of this agreement, Seller reserves the right to alter, close or cancel any credit account established at its sole discretion.

NO RIGHT OF SETOFF OR RECOUPMENT

Seller and Buyer shall have no right of set-off, counter-claim, or recoupment in respect of any debt or other obligation to them against any payment or other obligation to the other party provided for in this Agreement or pursuant to any other plan, agreement or policy.

AGENT'S AUTHORITY

No representative, agent or dealer has any authority to obligate the Seller by any terms, stipulation or conditions not herein expressed.

INSTRUCTION MANUALS

One (1) instruction manual is furnished in English with each machine and/or control. Additional manuals are available at a nominal charge.

GENERAL

This proposal and all proposal drawings submitted contain proprietary information of Taylor-Winfield Technologies, Inc. and are confidential. Reproduction of any part thereof or use for purposes other than intended herein is expressly prohibited.

This proposal expires **sixty (60) days** from the date hereof and is subject to change, prior to acceptance, without notice within such period and supersedes any previous proposal.