

VETTER FORKS, INC. - TERMS AND CONDITIONS

As of: September 15th, 2014



I. Offer and Contract. No offer or contract is binding upon VETTER Forks, Inc. ("VETTER") except by issuance of VETTER's printed acknowledgment form. Acceptance by VETTER of buyer's ("Buyer") order is expressly made conditional on assent of these terms ("Terms") by written acknowledgment or conduct of Buyer that recognizes the existence of a contract with respect to the products or services (hereinafter together "Products") described on VETTER's acknowledgment form. No additional or different terms or conditions will be binding upon VETTER unless agreed to in writing; failure of VETTER to object to conditions contained in any other writing or communication from Buyer shall not be construed as a waiver of these Terms or acceptance of any such other provisions nor shall VETTER incur any liability for retracting its offer if Buyer objects to these Terms. These Terms serve as notice of VETTER's objection to and rejection of any terms of purchase or sale included in Buyer's order or other writing that are different from or additional to these Terms. Paragraph headings herein are for convenience only.

II. Quotations. VETTER's quotations/tenders are subject to change and Products are subject to availability at any time prior to VETTER's acceptance of Buyer's order. Fixed prices must be expressly confirmed by VETTER in writing.

III. Samples/Catalogues. Any figures, measurements, statements, descriptions, illustrations, photographs, drawings, colors, or any other matters shown on VETTER's website, brochures, catalogs, price lists, or advertising literature are not guaranteed to be accurate, only represent a general description or depiction of the Products and shall not form part of any contract between the parties, unless expressly incorporated into a contract in writing.

IV. Delivery/Risk of Loss/Licenses.

1.) Delivery of Products to a common carrier at VETTER's principal place of business or any other loading point specified by VETTER, constitutes delivery to Buyer ("Delivery"), and regardless of shipping terms or freight payment, all risk of loss or damage in transit shall upon Delivery, shift to Buyer. If Buyer is responsible for any shipment delay, VETTER's written notification to Buyer that the Products ordered hereunder are ready for shipping shall constitute Delivery to Buyer, and all further risk of loss or damage and all costs for handling, transportation and storage shall be borne by Buyer. 2.) VETTER is not liable for any damages as a result of any delay or failure to deliver due to any cause beyond VETTER's reasonable control, including without limitation, any act of God, act or failure to act of Buyer, embargo or other governmental act, regulation or request, fire, accident, strike, slowdown, war, riot, delay in transportation or inability to obtain necessary labor, materials or manufacturing facilities.

3.) The parties agree to partial delivery.

4.) It is Buyer's sole responsibility to pay for and to obtain any governmental or other licenses, certificates, or documentation as may be required.

V. Suspension/Cancellation.

1.) If Buyer fails to accept Delivery, fails to make any payment when due, if Buyer enters into any composition or arrangement with creditors, if any distress or execution is levied upon any goods or property of Buyer, if Buyer commits any act of bankruptcy or, if a corporation, a receiver is pointed of the whole or any part of its undertaking or assets, if Buyer passes a

resolution for winding up or if a Court makes an order to that effect, or if Buyer has a receiving order made against it, then at its sole option, VETTER may defer or cancel any further deliveries or services and treat the Contract as terminated. Such termination is without prejudice to VETTER's right to any unpaid price for Products delivered, cost of work done under the Contract, and damages for loss suffered in consequence of such termination.

2.) Buyer may not cancel an order following VETTER's acceptance.

VI. Force Majeure.

1.) In the event that any circumstance beyond the control of the parties ("Force Majeure") and in particular without prejudice to the foregoing, acts of God or the public enemy, fire, explosion, earthquake, lightning, storm, hurricane, failure of public services, perils of the sea, flood, drought, war, riots, sabotage, accident, embargo, government priority, shortage or failure of supply of materials or equipment from normal sources for manufacture of the Products, labor disputes, or strikes, in consequence of which VETTER is prevented, impeded, or suffers interference with Delivery of, or Buyer is prevented, impeded, or suffers interference with the acceptance of Products, then neither party shall have any claim against the other for any direct, indirect or consequential loss, injury, or damage, which shall include, but not be limited to, any loss of trade or profit, which may be caused or sustained by either party or any third party. However, the affected party shall promptly upon the occurrence of any such cause so inform the other party in writing, stating such cause has delayed or prevented its performance hereunder and thereafter such affected party shall take all actions within its power to comply with the Terms of any contract and these Terms as fully and promptly as possible. 2.) If either party is unable to perform its obligations under this Contract for a continuous period of sixty (60) days by reason of Force Majeure then both parties, in utmost good faith, shall enter into discussions with a view to agreeing on such adjustments as may be mutually acceptable to continue the operation of any contract and these Terms. If the parties cannot mutually agree on the continuation of any contract and these Terms, either party may terminate any contract or agreement. Termination will be without prejudice to the rights and obligations accrued to the date of termination.

VII. Products.

1.) VETTER reserves the right to modify, make design changes, and/or discontinue Products at any time and without prior notice. VETTER will ship Products that have the same or similar functionality and performance of the Products ordered, but changes, including but not limited to changes with regard to measurements and weight, due to technical requirements between what is shipped and what is described in specification sheets, catalogs, or the like, are possible. Buyer agrees to cause itself its customers and anybody in the chain of manufacturing, supply, and distribution including the end customer to ensure that the Products shall at all times be accompanied by such instructions, manuals, specifications, ratings, notifications, warnings, or labels provided by VETTER, if any, from time to time.

2.) In the event that Buyer purchases the Products from VETTER for resale, Buyer

agrees to pass on to its customers any and all information, manuals, warnings or specification sheets VETTER provided to Buyer with regard to the Products. Buyer agrees to maintain adequate records and contact information for its customers in the event of a recall of Products.

VIII. Prices and Payment.

1.) The quoted price for all products is FCA VETTER's principal place of business or the location of shipment, whichever is applicable unless otherwise agreed upon in writing.

2.) The quoted price of the Products does not include applicable duties, taxes, assessments, shipping costs, packaging, insurance, or similar charges, which shall be borne by Buyer, unless otherwise agreed upon in writing. All prices are subject to change prior to VETTER's issuance of an acknowledgment. Notwithstanding the foregoing, VETTER may at any time increase the purchase price for the Products and Buyer agrees to pay such increased purchase price in the event that the prices for raw materials used in the manufacturing of the Products increases by ten percent (10%) after VETTER issues a quotation.

3.) Unless otherwise specified on the face hereof, payment of the total invoice for Products ordered shall be within thirty (30) days after Delivery. In case of partial Delivery, VETTER may invoice Buyer and Buyer shall make payment for the value of such partial Delivery.

4.) Overdue amounts shall bear a delinquency charge of interest at eighteen percent (18%) per annum or the maximum rate permitted by law.

5.) Buyer shall have no right of set-off with alleged counter-claims. Any assignment of Buyer's counter-claims to a third party without VETTER's prior written consent shall be void.

6.) Buyer agrees to reimburse VETTER for any costs and expenses (including reasonable attorneys' fees) in connection with the collection of any amounts owed to VETTER under this Contract.

IX. Limited Warranties.

1.) VETTER warrants that the Products shall be free from defects in material and workmanship for a period of six (6) months from the date of Delivery. VETTER's obligations under the aforesaid warranty shall be expressly limited to repairing or replacing, the Products, which if properly used and maintained, prove defective in material or workmanship. Any Product repaired or replaced pursuant to this warranty will continue to be warranted for the remainder of the original warranty period. Upon VETTER's request, Buyer shall promptly provide, at no cost to VETTER, samples and other evidence of, and shall allow VETTER's representative access to, the alleged defective Product. If applicable, it shall be in VETTER's sole discretion to determine whether to repair or replace the Products.

2.) Buyer must not return any alleged defective Products without VETTER's prior written consent. Buyer agrees to reimburse VETTER for all costs and expenses associated with any return of Products unauthorized by VETTER. Receipt or inspection of returned Products by VETTER shall not be deemed admission of any alleged defect. In the event that Buyer alleges a defect of the Product, use of the Product must be suspended immediately until written clearance is issued by VETTER for continued use of the Product.

3.) VETTER's obligations under Sec. 1 of Para. IX shall not apply to any part or parts of the Products sold hereunder, which (a) have been damaged, altered or modified in any way by Buyer or any other third party; (b) have been damaged due to negligent or faulty use, installation, alteration, repair, operation,

maintenance, storage, or handling by Buyer or a third party; (c) are consumed by normal wear and tear; (d) are consumed by operation above rated capacity or excessive use; (e) have a normal life inherently shorter than the herein stated warranty period; (g) are installed, maintained, operated or used in disregard of any operating manual of the Products; or (h) have been manufactured by VETTER according to the specifications, drawings, or designs, provided by Buyer. Claiming an alleged defect of a Product does not relieve Buyer of any of its payment obligation to VETTER.

4.) Buyer waives any right to assert any claim against VETTER arising from any defects in material or workmanship of Products sold hereunder, which would have been observable on reasonable inspection or testing within fourteen (14) days of Delivery.

5.) Any suggestions by VETTER or VETTER's agents regarding use, application, or suitability of the Products shall not be construed as an express warranty unless confirmed to be such in writing by VETTER.

6.) THE LIMITED PRODUCT WARRANTY EXPRESSED HEREIN SHALL BE IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED, ORAL OR WRITTEN, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, APPLICATION OR USE, NONINFRINGEMENT AND TITLE, OR ANY EXPRESS OR IMPLIED WARRANTY FOR DESIGN, INCLUDING BUT NOT LIMITED TO BUYER'S DESIGNS OR SPECIFICATIONS, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE WHICH ARE EXPRESSLY DISCLAIMED, AND IS IN LIEU OF ANY AND ALL OTHER OBLIGATIONS OR LIABILITY ON VETTER'S PART.

7.) VETTER MAKES NO WARRANTIES WITH RESPECT TO: (A) SERVICES, OR (B) USED PRODUCTS; ALL OF WHICH ARE PROVIDED "AS IS."

X. Limitation of Liability.

1.) Except as otherwise agreed in writing, VETTER's liability with respect to the Products shall be limited to the limited warranty, if any, provided in Para. IX hereof, and shall, in any way, be limited to the purchase price.

2.) VETTER SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES, WHETHER ARISING OUT OF BREACH OF WARRANTY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHER THEORIES OF LAW, WITH RESPECT TO THE PRODUCTS SOLD, BY VETTER, OR UNDERTAKINGS, ACTS OR OMISSIONS RELATING THERETO. UNDER NO CIRCUMSTANCES WILL VETTER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER LOSS, DAMAGE OR EXPENSE OF ANY KIND, INCLUDING LOSS OF PROFITS, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER LEGAL THEORY, EVEN IF VETTER OR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL VETTER'S LIABILITY UNDER THIS CONTRACT EXCEED THE AMOUNT PAID BY BUYER FOR THE PRODUCTS GIVING RISE TO THE CLAIM. IN THE CASE WHERE NO AMOUNT WAS PAID, VETTER SHALL HAVE NO LIABILITY FOR ANY DAMAGES WHATSOEVER. THE PROVISIONS OF THIS SECTION X SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS CONTRACT.

VETTER'S SOLE LIABILITY AND BUYER'S SOLE REMEDY IS LIMITED TO EITHER (A) REPAIR OR REPLACEMENT OF DEFECTIVE PRODUCTS, OR (B) AT VETTER'S OPTION, REFUND THE PURCHASE PRICE.

3.) Without limiting the generality of the foregoing VETTER specifically disclaims any liability for property or personal injury damages, penalties, special or punitive damages, damages for lost profits or revenues, loss of use of the Products, or any associated equipment, cost of capital, cost of repairs to the Products subject to VETTER's warranty performed by persons other than VETTER without VETTER's prior written consent, cost of substitute Products, facilities or services, down-time or slow-down costs or for any other types of economic loss, and for claims of Buyer's customers or any third party for any such damages. Furthermore VETTER disclaims any VETTER disclaims any liability for any claim, whether in contract or in tort, which arose more than one (1) year prior to the initiation of arbitration or litigation by Buyer against VETTER.

4.) Buyer agrees to cause its customers and anybody in the chain of manufacturing, supply, and distribution including the end customer to be bound by the limited warranties and limitations of liability substantially equivalent to those contained in this Contract.

XI. Security Interest.

BUYER GRANTS TO VETTER A SECURITY INTEREST IN THE PRODUCTS SOLD HEREUNDER TO SECURE PAYMENT OF THE PURCHASE PRICE OF THE PRODUCTS AND AGREES, AND APPOINTS VETTER ITS AGENT, TO TAKE ALL SUCH ACTION AND TO EXECUTE ALL SUCH DOCUMENTS AND INSTRUMENTS AS MAY BE NECESSARY BY VETTER TO PERFECT AND CONTINUE VETTER'S SECURITY INTEREST HEREUNDER.

XII. Proprietary Information/Confidentiality.

1.) All specifications, and other information furnished by VETTER are proprietary to VETTER and confidential. Such information has been developed at substantial expense and contains trade secrets that are the exclusive property of VETTER. Buyer may not reproduce or distribute such information except to such of Buyer's employees who are required to have such information in order to perform their duties and agree, in writing, to keep such information confidential. All such information supplied by VETTER except for information that (a) was generally available to Buyer from public or published sources, provided publication did not take place in violation of these Terms or through fault or omission of Buyer, (b) was lawfully obtained from a source under no obligation of confidentiality, directly or indirectly, to either Buyer or VETTER, (c) was disclosed through judicial action, or (d) was disclosed to the general public with the written approval of VETTER shall be received in confidence, and Buyer shall exercise due diligence and reasonable care to hold such information in confidence. 2.) This Paragraph shall survive the termination or expiration of these Terms.

XIII. Remedies for Breach.

Buyer understands and agrees that VETTER will not have adequate remedy at law for a material or threatened breach by Buyer, or its, agents, employees, representatives or subcontractors, of any one

or more of the covenants set forth in Para. XI and XII, and of these Terms. In the event of any such material or threatened breach, VETTER may, in addition to (but not in substitution for) the other remedies which may be available to it either at law or in equity, file suit to enjoin Buyer from the breach or threatened breach of said covenants.

XIV. Export Control Laws.

Products may be subject to U.S. export control laws and regulations, including the U.S. Export Administration Act, and may be subject to export or import regulations in other countries. Buyer agrees to comply strictly with all such regulations and acknowledges that it has the responsibility to obtain licenses to export, re-export, or import the Products.

XV. Severability

If at any time any one or more of the provisions of these Terms become invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions of these Terms shall not be in any way impaired.

XVI. Arbitration.

All disputes arising under this Agreement shall be settled by final and binding arbitration in Chicago, IL in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The parties agree on the selection of a single arbitrator. The award by the arbitrator shall be final and judgment upon the rendered award may be entered in any court having jurisdiction thereof. Each party shall be responsible for its costs of the arbitration.

XVII. Governing Law.

THESE TERMS AND ANY SALES HEREUNDER ARE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO ITS CONFLICTS OF LAW RULES. THE APPLICATION OF THE PROVISIONS OF THE UN CONVENTION ON CONTRACTS FOR THE INTERNATL. SALE OF GOODS IS HEREBY EXPRESSLY EXCLUDED.

XVIII. Complete Agreement. These Terms and VETTER's acceptance form constitute the complete and exclusive agreement between the parties hereto. It supersedes all prior written and oral statements, including prior representations, statements, conditions, or warranties. These Terms may not be amended or altered without the written consent of VETTER.