

GENERAL TERMS AND CONDITIONS

1. When signed by a representative of MIKRON CORP. MONROE ("Vendor"), this document shall not be considered an offer, acceptance or contract, but solely an informational quotation imposing no obligation upon Vendor. All prices set forth in this quotation are net, without any discount or other deductions. Such prices are based upon the Vendor's costs including, without limitation, labor, materials and importation at current rates of monetary exchange effective as of the date the quotation is issued and subject to further modification, at Vendor's option, in the event of changes in any of the foregoing. When signed, dated and returned by a representative of Purchaser to Vendor's United States office within sixty (60) days after the date of Vendor's issuance of this quotation, this document shall constitute an offer to purchase by Purchaser, subject to Vendor's acceptance. Vendor may accept Purchaser's offer to purchase by returning a written order confirmation to Purchaser and such contract between the parties shall be subject to and controlled by the terms and conditions herein set forth. In the event of any inconsistency between the terms hereof and any documents appended by the Purchaser not expressly acknowledged by Vendor, the terms hereof shall control. The quotation, any separate confidentiality agreement, any purchase order and these Terms and Conditions contain the entire Agreement between Vendor and Purchaser concerning Vendor's performance under the quotation and any purchase order. This document shall supersede all prior agreements.
2. Delivery periods recited herein shall commence upon finalization of all technical and commercial details (as hereinafter explained) or the receipt of the required down payment, whichever occurs later. "Finalization of all technical and commercial details" shall include Vendor's receipt of complete specifications, samples and trial materials from Purchaser. Delivery periods are dependent upon the availability of raw materials and components from Vendor's supplier as prevailing on the date of quotation, and Vendor therefore reserves the right to modify the delivery periods due to changes in such conditions. Unless otherwise agreed, the Products shall be delivered FCA (Incoterms 2010) Mikron's factory in Monroe, Connecticut, USA, or such location as Vendor may direct (the "Delivery Point") following factory acceptance by Purchaser, provided that risk of loss for the Products shall pass to Purchaser upon delivery of the Products at the Delivery Point and title to the Products shall pass to Purchaser upon Vendor's receipt of payment in full. Except by mutual agreement of the Vendor and Purchaser to the contrary, the Products will be insured in the name of the Purchaser. Purchaser shall promptly inspect all shipments and shall notify Vendor of all defects, shortages or deficiencies within forty-eight (48) hours of Purchaser's receipt of the shipment.
3. Purchaser shall supply to Vendor at Purchaser's expense such quantities of trial materials as are specified in this quotation or are reasonably required by Vendor, together with such written specifications as may be necessary to finalize all technical and commercial details. Such trial materials and/or cutting oil or lubricants shall be delivered at Purchaser's expense including shipping costs, to the Vendor's manufacturing facility in Europe or the United States, as specified in this quotation, on or before the date(s) specified in this quotation or otherwise reasonably required by Vendor. Unless otherwise specified in this quotation, such trial material shall become the property of Vendor and shall not be returned to Purchaser.
4. Prices set forth in this quotation for machines built in Europe are predicated upon the exchange rate of the respective European currency to United States Dollars which exists on the date of this quotation. In the event of fluctuations in the exchange rate, all payments shall be subject to adjustment in such manner as to cause Vendor to receive the same amount of foreign currency as is contemplated by the prices(s) quoted herein. Unless otherwise agreed in writing, the price must be paid by the Purchaser without any deduction at the head offices of Mikron, in the currency that is legal tender thereat and consistent with the following conditions:
 - 30% as a down payment to be paid concurrently with the placement of the purchase order by the Purchaser;
 - 30% upon completion of engineering activity;
 - 30% upon completion and assembly of the Products, to be paid concurrently with the commissioning test at Vendor's facilities ("FAT");
 - the balance, i.e. 10%, to be paid upon the commissioning for final acceptance in the Purchaser's premises, at latest one month after delivery by Vendor.In the event of partial deliveries, partial payments will be required consistent with the portion of Products ready/available for shipment. The purchase price for parts, tools and other items shall be due and payable within 30 days from the invoice, latest before delivery. Accounts past due shall bear interest at a rate of 1.5% per month or the highest permitted by law, whichever is less.
5. Following FAT, factory acceptance by Purchaser shall take place at Vendor's facilities within fifteen (15) days of Purchaser's receipt of Vendor's written or oral notification that the Products are ready for inspection. Purchaser shall, at Purchaser's expense, inspect the Products in Vendor's facility during acceptance runs and shall sign a written acceptance of the Products provided they meet all testing criteria, or shall sign a written memorandum indicating any deficiency preventing acceptance. Failure to furnish a written memorandum indicating any deficiency at the time of inspection shall constitute a waiver of the right to claim that the Products were defectively designed. In the event that Purchaser does not inspect the Products within said fifteen (15) day period, Purchaser will be deemed to have accepted them and waived its right to any defective design claim, and Vendor may ship same to Purchaser as provided herein (see Section 2). Once the Products are accepted or deemed accepted, Vendor shall ship them to Purchaser and invoice for same. Thereafter, all alterations, modifications or adjustments to the Products shall be done at Purchaser's facility and at Purchaser's expense. The parties can agree that Vendor will run a second test,

upon completion of assembly, in the Purchaser's premises, which will consist of checking the proper execution of the assembly and of the start-up of the Products. The Purchaser shall prearrange all that is necessary for the proper performance of the test on the date set forth. Upon completion of the test both parties will sign a consistency protocol that will be deemed to constitute final acceptance and take over by the Purchaser of the Products and beginning of the warranty period.

6. For a period of two thousand (2,000) operating hours or 12 months from the date of final acceptance or at latest three months after delivery by Vendor, whichever comes first, Vendor warrants that all machines, parts, and tools supplied hereunder will be free from defects in materials and workmanship. Provided however, that the foregoing warranty shall not cover, and Purchaser acknowledges that Vendor has made no warranty with respect to any of the following: a) parts, materials, assemblies, or other items provided directly or indirectly by Purchaser, if any, b) parts, materials, assemblies, or other items obtained directly or indirectly from the original equipment manufacturer or from any other source, if any, it being understood and agreed that Vendor shall pass to Purchaser any warranty made or given by such original equipment manufacturer, c) any design aspect of the Products supplied by Purchaser, if any, d) any Products operated for productive purpose before site acceptance without the consent of Vendor, e) any parts, materials, assemblies, or other items identified in Vendor spare parts list as being wear items, or f) any damage to Products caused by ordinary wear and tear, defective maintenance, any failure to comply with Vendor's operating or safety instructions or manuals, excessive strain, unsuitable working materials or conditions, chemical or electrolytic influences, building or assembly work performed by persons other than Vendor or Vendor's subcontractor (the "Limited Warranty"). THIS IS THE ONLY WARRANTY GIVEN BY VENDOR AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY, SPECIFICALLY AND KNOWINGLY WAIVED BY PURCHASER.
7. Vendor's sole liability, and Purchaser's exclusive remedy, for Vendor breach of the Limited Warranty shall be the repair or replacement, at Vendor's election, of the Products shown to Vendor's reasonable satisfaction to be defective during the warranty period. Any repairs or replacements provided under the warranty shall be made or provided at Vendor's manufacturing facility during normal business hours and all costs of transportation to and from Vendor's plant shall be borne by Purchaser. Upon mutual agreement of Purchaser and Vendor, Vendor will provide service personnel to remedy the defect at Purchaser's facility, provided that Purchaser assumes responsibility for all reasonable travel, meals and lodging expenses of such personnel. All defects must be reported to Vendor within two (2) business days after Purchaser's discovery of same, it being understood

and agreed that Purchase shall give notice to Vendor of any defects prior to expiration of the warranty period. Any repairs or replacement components provided under the Limited Warranty shall themselves be subjected to the Limited Warranty for a period of six (6) months from the later of the date of replacement or completion of repairs or expiration of the Limited Warranty on the defective Products.

8. PURCHASER FURTHER AGREES THAT VENDOR'S LIABILITY FOR ANY CLAIM ARISING FROM THE PURCHASE OR OFFER TO PURCHASE OF THE PRODUCTS WHICH IS THE SUBJECT OF THESE TERMS AND CONDITIONS, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING UNDER THE LIMITED WARRANTY CONTAINED IN SECTION 6 OR ANY OTHER CLAIMS WHATSOEVER, SHALL BE LIMITED IN ALL CASES TO THE RETURN OF ANY MONEYS PAID TOWARD THE PURCHASE OF THE PRODUCTS. WITHOUT PREJUDICE TO ANY OTHER PROVISION OF THESE TERMS AND CONDITIONS, VENDOR SHALL NOT HAVE ANY OBLIGATIONS OR LIABILITY WHATSOEVER TO PURCHASER, OR TO ANY PERSON OR ENTITY CLAIMING BY, THROUGH, OR UNDER PURCHASER, WHETHER ARISING PURSUANT TO THE LIMITED WARRANTY, PURSUANT TO ANY AGREEMENT PERTAINING TO THE PRODUCTS OR SERVICES, OR IN CONTRACT, IN INDEMNITY, IN TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE), IN PRODUCTS LIABILITY, IN STRICT LIABILITY, OR OTHERWISE FOR ANY EXEMPLARY OR PUNITIVE DAMAGES, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (EVEN THOUGH SUCH DAMAGES MAY BE FORESEEABLE) INCLUDING BUT NOT LIMITED TO: LOSS OF PROFITS, LOSS OF REVENUES, LOSS OF USE OF EQUIPMENT; COST OF CAPITAL; COST OF SUBSTITUTE PRODUCTS, REPAIRS OR FACILITIES; COST OF DOWNTIME; COST OF FREIGHT, INSPECTIONS, INSTALLATION, REMOVAL OR REINSTALLATION WITH RESPECT TO ANY PRODUCT; OR CLAIMS OF ANY CUSTOMERS OF PURCHASER FOR ANY SUCH DAMAGES.
9. Title to all Products shall vest in Purchaser upon (a) completion of installation at Purchaser's facility and (b) the payment in full of the purchase price. Title to all parts, tools and other items shall vest in Purchaser upon delivery and payment therefor.
10. Any results achieved during the course of design, construction, assembly and/or maintenance of Vendor's plant, even where done with means, tools, drawings and designs provided by Purchaser, are and shall remain the sole property of Vendor which shall have exclusive ownership of any patent and other intellectual property rights. The Purchaser is not entitled to use and/or cause others to use the trademarks, patents, trade names or other distinctive marks of Vendor and undertakes not to deposit nor cause to be deposited in the country where they have their registered office or elsewhere any trademarks, patents, trade names or other distinctive signs similar to those of Vendor. All technical documents



are and shall remain the exclusive property of Vendor and may not be copied, reproduced or communicated to a third party without Vendor's prior written consent in each instance, nor may they be used for the construction of any similar Products or parts thereof. Purchaser agrees to keep all information, including, without limitation, know how, furnished by or on behalf of Vendor in connection with the quotation, any purchase order or any other agreement entered into by an between the Vendor and the Purchaser relating to the Products, strictly confidential to the same extent as that to which Purchaser treats its own confidential or proprietary matters.

11. All printed matter is intended as an approximate description of Vendor's products. Dimension, weight and performance ratings, etc., are only approximate and not guaranteed. All dimensional prints, illustrations and weights given in Vendor's sales literature and quotations are subject to change without notice.
12. Purchaser shall use the Products purchased hereunder solely in accordance with applicable laws, rules and regulations. Purchaser shall prohibit their use as assembled upon delivery except by users who are trained, skilled and equipped with all safety guards intact. Purchaser shall indemnify and hold harmless Vendor from any and all liability arising from Purchaser's failure to so comply with this Section 12.
13. In the event of any Act of God including, without limitation, war, fire, explosion, accident or flood; or riot, sabotage, lack of adequate fuel, power, raw materials, labor, containers or transportation facilities, failure or default of carrier to deliver; or compliance with governmental requests, laws, regulations, orders or actions; or unforeseen technical difficulties, breakage or failure of machinery or apparatus; or national defense requirements, or any other event, whether or not of the class or kind enumerated herein, beyond the reasonable control of Vendor; or labor trouble, strike, lockout or injunction (provided that Vendor shall not be required to settle a labor dispute against its own business judgment), which event makes impossible or impractical the manufacture or transportation of the Products or acquisition of a material upon which the manufacture of the Products is dependent, i.e. any "Force Majeure", Vendor at its option may either terminate its performance or extend the delivery period, without liability to Purchaser, except that in the event of cancellation, Vendor shall return any portion of the purchase price which remains unexpended as of the date of Vendor's election to terminate.
14. In the event Purchaser fails to make payments in the amounts and at the time required by the quotation or these Terms and Conditions or is in default under any provision of the quotation, these Terms and Conditions or any purchase order, invoice or other agreement between the Purchaser and Vendor, or in the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Purchaser, the inability of Purchaser to meet its debts as they come due or the appointment, with or without Purchaser's consent of an assignee for the benefit of creditors or a receiver, then Vendor shall have the right, in addition to all the other rights to Vendor may possess at any time, to withhold shipments, in whole or in part, and to recall Products in transit, retake same and repossess all Products which may be stored with Vendor for the Purchaser's account, without the necessity of instituting any other proceedings. Vendor shall also have the rights and remedies available to it under the Uniform Commercial Code and other laws in effect.
15. The parties agree that any agreement between the parties which may arise from this quotation shall be deemed entered into at Monroe, Connecticut, U.S.A. and shall be interpreted and construed in accordance with all the laws of the State of Connecticut without regard to its conflict of laws principles; the United Nations Convention on Contracts for the International Sale of Goods shall not be applicable. Both parties hereby consent to the jurisdiction of the federal and state courts of the State of Connecticut and more specifically the judicial district within which Vendor maintains an office or manufacturing facility, but their consent shall not limit jurisdiction with regard to this matter to that district within the State.
16. Purchaser shall be responsible for all taxes (other than income taxes) due and payable in connection with the delivery of, and transfer of title to, the Products which are the subject of these Terms and Conditions.
17. These Terms and Conditions shall not be changed or modified except by written instrument signed by Vendor.
18. Any forbearance by Vendor in the exercise of Vendor's rights or remedies in response to any breach by Purchaser shall not be construed to be a waiver of, nor shall it preclude, the exercise of any right of remedy.
19. Except as expressly stated to the contrary herein, any accepted purchase order may not be cancelled by the Purchaser. Should Purchaser terminate, cancel, or stop any purchase order, in whole or in part, such termination, cancellation or stoppage shall constitute a breach by Purchaser, for which Vendor shall be entitled to all damages of Vendor related to such breach, including without limitation the amount of Vendor's cancellation costs and damages. Upon such termination, cancellation or stoppage by Purchaser, Vendor shall bring the order to an orderly stop (and cancel its subcontractors or purchase orders with suppliers) or such part of the order as had been terminated. For this purposes, Vendor shall promptly after the effective date of termination, cancellation or stoppage submit a claim to Purchaser specifying the amount and calculations for Vendor's cancellation costs and damages.

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