

# PRIMARY CONDITIONS OF SALE:

Vecoplan, LLC reserves the right to make minor technical changes without notice. Vecoplan, LLC reserves the right to substitute or change component brands without notice. Vecoplan, LLC will not be liable for any SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES of any nature (including, without limitation, production losses or loss of profits). Vecoplan is not responsible for any damages or liability resulting from improper integration by others of Vecoplan equipment OR for installation or performance of auxiliary equipment supplied by others and integrated into any system where Vecoplan equipment is installed. This includes, but is not limited to, improper conveyance, mechanical or pneumatic systems, or any instance where damages result from improper system design or installation. Vecoplan is not responsible for installation, or resulting issues or remedies of such installation, performed by others. Cancellations are subject to an additional fee. Payments due will be charged with interest at the rate of 1.5% per month. All prices quoted are in US dollars (designated \$ US, US\$ or USD). The General Terms and Conditions below apply and supersede any and all others.

## General Terms and Conditions

Except as otherwise expressly agreed in writing and signed by an authorized officer of VECOPLAN, LLC ("Seller" or "Vecoplan"), these terms and conditions ("Terms & Conditions") shall solely govern all quotations and order confirmations covering purchase orders for and sales of products manufactured and/or sold by Seller or Seller's parent, affiliates and subsidiaries (individually each a "Product" and collectively, the "Products") as well as service relating to such Products (including, without limitation, any services performed under the warranty stated hereunder), if applicable, and any provision of the Buyer's order in addition to or inconsistent herewith shall be deemed rejected by Seller and/or waived by Buyer. Any acceptance by Buyer of Seller's offer to provide Products is limited solely to the terms and conditions contained herein. All orders are subject to acceptance and approval by Seller. If in any way Seller's actions, conduct or silence would otherwise constitute an acceptance of Buyer's order or purchase agreement, any such acceptance is hereby limited to the terms and conditions herein, and is made conditional on Buyer's assent to these additional or different terms and waiver of Buyer's own additional or different terms.

### Prices:

1. Except as modified with respect to the payment of freight and shipping charges on the face of an order confirmation and except as otherwise modified elsewhere in these General Terms and Conditions (specifically with respect to transfer of title and risk of loss under the Title and Risk of Loss section herein below) prices quoted herein are: (i) FCA Seller's principal place of business (INCOTERMS 2010) with respect to Products shipped directly to Buyer from Seller's principal place of business in Greensboro, NC, (ii) EXW (INCOTERMS 2010) with respect to Products drop shipped to Buyer from Vecoplan, AG in Germany, when shipped to Buyer at a delivery location within the continental United States, (iii) EXW (INCOTERMS 2010) with respect to Products drop shipped to Buyer from Vecoplan, AG in Germany, when shipped to Buyer at a delivery location within Canada or (iv) EXW (INCOTERMS 2010) with respect to Products drop shipped to Buyer from Vecoplan, AG in Germany, when shipped to a Buyer at a delivery location within the European Union.
2. Prices quoted are for prompt acceptance and subject to change without notice at any time prior to receipt and acceptance of Buyer's order by Seller unless the Seller has otherwise agreed in writing. Published prices of the Products are subject to change without notice and will be applied as in effect at the time of shipment.
3. Prices exclude Federal, State or local use, excise, transportation, occupational or other taxes. Buyer agrees to pay any such taxes applicable to the sale or use of the Products. Buyer shall provide Seller with a tax exemption certificate acceptable to the relevant taxing authorities. The Buyer shall promptly reimburse the Seller for any such tax advanced or paid by the Seller with respect to any Product. Unless specifically stated otherwise, Seller's prices do not include any applicable sales, excise or other similar taxes. If under any law or government regulation, now or hereafter in effect, Seller is required to pay or collect any tax upon the Products included in this order or predicated upon, measured by or arising from or out of the sale, transportation, delivery, use or consumption of said Products, whether directly or indirectly, the prices to be paid by the Buyer hereunder shall be increased by the total amount of such tax and Buyer agrees to pay such amount in full as part of the purchase price payable hereunder. Buyer also agrees that any such payment for taxes shall be made to Seller even if Seller learns that such taxes are due subsequent to the delivery and receipt of final payment.
4. Prices are subject to change if Buyer requests changes to or deviations from the specifications quoted by Seller after acceptance of Buyer's order.

**Installation:** Buyer has been offered the option of having the Products installed by Seller. Unless otherwise stated on the face of an order confirmation, Buyer has not requested this service and instead opted to install the Products themselves. Buyer understands, acknowledges and agrees that Buyer assumes any and all responsibility for the installation of the Products and any damages resulting therefrom. If installation or system start up is to be provided by Seller (collectively, "Startup Services"), its scope will be as set forth in this document and the order confirmation. Startup Services are based on providing open-shop labor (either Seller employees or its subcontractors) and on an uninterrupted work schedule until system is complete. Interruptions or delays caused by Buyer or others which necessitate return trips or extended time on site will result in additional charges to Buyer. Seller must be allowed unrestricted access to the work area. Buyer is responsible for site readiness prior to the arrival of the installation crew or startup technician. Any delays caused by Buyer failing to have the site in ready condition for installation crew or startup technician may affect the completion date therefore resulting in additional charges to Buyer. Once crews or technicians are on site they must be allowed to continue until completed. Startup Services purchased in connection with the purchase of Products are valid and redeemable for a period of thirty (30) days following delivery of the Products; if not used within such time period any such Startup Services shall expire and must be repurchased and rescheduled by Buyer.

### Terms of Payment:

1. The purchase price of the Products shall be payable, without deduction of any kind, within such period of time and according to such terms as provided in the invoice.
2. If payments are late, Seller shall impose a monthly service charge which will not exceed one and one half percent (1-1/2%) of the total amount due. Acceptance of such service charge by Seller shall not constitute a waiver of any rights which Seller has due to non-payment by Buyer.
3. Buyer hereby agrees to pay all costs of collection, including reasonable attorney's fees, costs and expenses, and the costs, if any, of financial or credit checks or investigations on accounts sixty (60) or more days past due.
4. If Terms of Payment allow in excess of 5% net due after delivery, Buyer hereby grants Seller a security interest in the Products purchased from Seller (along with any and all accessions thereto, including replacements parts and equipment subsequently purchased from Seller, and replacements therefor) and agrees upon request to execute a security agreement in a form acceptable to Seller pledging such Products (along with any and all accessions thereto, including replacements parts and equipment subsequently purchased from Seller, and replacements therefor) as collateral securing any amounts due to Seller (if Seller for any reason refuses to so execute such security agreement, notwithstanding the foregoing, this provision shall constitute a security agreement for all purposes). Buyer hereby authorizes Seller to file a UCC1 Financing Statement, or any other document deemed necessary or advisable by Seller, for the purpose of perfecting its security interest in such Products.
5. Buyer hereby acknowledges and agrees that Seller may embed programming code in the Products that will render Products inoperative should Buyer fail to pay the purchase price when due.

### Title and Risk of Loss:

1. Notwithstanding anything herein to the contrary (specifically, the shipping terms indicated under the Prices section herein above), delivery of the Products to a carrier by Seller, consigned to Buyer, or as Buyer may direct, shall constitute transfer of title, ownership, possession and risk of loss or damage to the Products at the point of such delivery to a carrier, and such carrier shall thereafter be deemed to be acting for Buyer. Seller assumes no obligation whatsoever with respect to damage in transit.
2. Seller uses commercially reasonable care in packing the Products and will not be responsible for damage or loss in transit. All claims for damage or loss

after delivery of the Products to the carrier must be made by Buyer to the carrier, but Seller will provide reasonable assistance in securing a satisfactory adjustment of such claims.

3. Seller's programmable logic controller ("PLC") and human-machine interface ("HMI") programming logic and source code is proprietary, confidential information belonging solely and exclusively to Seller and, other than a non-transferrable, limited license to utilize the same in connection with Buyer's operation of the Products sold hereunder, no right, title or interest in or to such PLC and HMI programming logic or source code, nor any right to receive, access, copy or reproduce such PLC and HMI programming logic or source code, is being transferred to Buyer hereby.

**Insurance:** After receipt of the Products, Buyer will maintain, as long as any part of the purchase price for the Products remains unpaid or until all servicing of the Products is completed, sufficient insurance to provide full coverage of damage or loss by fire, theft, negligence of Buyer's employees or other causes, naming the Seller as an additional insured. The insurance will also cover tools, testing equipment and other property brought onto Buyer's premises temporarily by Seller's field or service personnel.

**Delivery and Shipping Schedule:**

1. Delivery of the Products shall be as specified in Seller's acceptance of Buyer's order.
2. Seller shall not be liable for unavoidable delays in delivery or service caused indirectly or directly or in any manner by fires, flood, accidents, riots, Acts of God, epidemics, pandemics, war, governmental interference, embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials or supplies, transportation delays or any other cause or causes (whether or not similar in nature to any of those specified herein) either beyond its control or which it cannot remedy without unreasonable economic hardship.
3. In no event shall the contract of sale be subject to cancellation by Buyer as a result of delays in delivery or servicing or for any other cause, except by mutual written agreement (see termination and cancellation provisions below).
4. No penalty for late performance may be assessed against Seller unless agreed upon in writing when Buyer's order is placed.
5. Seller shall not be liable for any special, incidental or consequential damages as a result of delay in shipment or servicing.
6. Unless otherwise agreed upon in writing, Seller reserves the right to make partial shipments and to submit invoices for such partial shipment in accordance with Seller's standard terms.

**Limited Warranty and Disclaimers:**

1. Seller warrants that all new Products are free from defects in material and workmanship; unless otherwise stated on the face of an order confirmation, no warranty whatsoever is made as to used Products. Any warranty described herein shall extend to the first ultimate end user for a period of 12 (twelve) months for all Products from the date of shipment when properly maintained and serviced according to the technical data sheet and operating manual. This warranty covers all non-wear items only and excludes freight, labor, travel and living expenses or other incidental costs associated with any repairs, and the costs of any shipping, dismounting or reinstallation that may be required. At Vecoplan's sole discretion, claims may be evaluated for misapplication, tampering, abuse, neglect, improper installation or maintenance, failures due to environmental conditions, improper operation, use of aftermarket parts not purchased from Seller or other factors beyond Vecoplan's control, in which case claims may be disallowed. Machinery or equipment manufactured by other companies and incorporated into systems purchased from Vecoplan are subject to the independent warranty policies and procedures of that manufacturer. Reprogramming or adjustments made to Vecoplan controls by anyone other than Vecoplan technicians will automatically void any warranty offered herein. Readjustment to controls or repairs that become necessary will be invoiced accordingly.
2. Seller's obligation, and Buyer's sole and exclusive remedy, under this warranty shall be limited to (i) Seller crediting Buyer with the invoice value of any nonconforming Products upon their return to Seller or (ii) Seller repairing or replacing any nonconforming Products, in Seller's sole discretion.
3. **SELLER SHALL IN NO EVENT BE LIABLE FOR ANY CLAIM FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR SUCH DAMAGES.**
4. No warranty is made as to Products which have not been installed, used or maintained in accordance with Seller's instructions, or which have been subject to misuse, abuse, accident or alteration or to improper or negligent use, maintenance, storage, transportation or handling.
5. Seller shall in no way be liable for any loss or damages related to fire or combustion in or near the Products when such fire or combustion is caused by Buyer's negligence, improper maintenance, faulty operation, processing of dangerous or combustible materials or forces beyond the control of Seller, or when Products are being used outside the scope of the application for which the Products were sold to Buyer.
6. Any stated throughput rates or other estimations contained herein regarding the volume of material processed by the Products sold hereunder are maximum achievable estimates, in some cases based upon testing performed by Vecoplan at your request, and are not to be construed as an express warranty or guaranty concerning the actual performance of the Products. Actual throughput rates will be dependent upon many variables, including the type of material being processed, the size of the material being processed and the method of feeding the material into the Products. Actual throughput rates may also be limited due to worn or damaged components or improper maintenance.
7. Seller represents and warrants that the Products sold hereunder will be in compliance with Federal OSHA safety regulations and guidelines solely in terms of the design and manufacture of the Products as delivered to the Buyer and at the time delivered to the Buyer and any control panels integrated into any such Products are built to UL508A and National Electrical Code (NFPA 70) standards. Other than the foregoing, Buyer assumes any and all responsibility and obligation to insure that the Products purchased hereunder are installed, operated and maintained in accordance with and in compliance with any and all federal, state, municipal and local rules, regulations, ordinances and laws, including without limitation any and all applicable OSHA rules and regulations. Buyer may request that the Products be manufactured in accordance with other federal, state, municipal or local rules, regulations, ordinances or laws; provided, however, that any such request must (i) be in writing, (ii) specifically describe the requirements and (iii) be accepted by a duly authorized representative of Seller in writing. Any such request, to the extent accepted by Seller, may be subject to adjustment in the pricing of the Products, in the sole discretion of Seller, to the extent such request is made by Buyer or accepted by Seller after a quotation for Products has been issued.
8. **Unless otherwise agreed in writing by Seller, no warranty is made regarding the fitness of Products for any particular Buyer application or use.**
9. **THE WARRANTY CONTAINED HEREIN IS EXCLUSIVE AND EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WRITTEN, ORAL, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. IN ADDITION, SELLER SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE, WHETHER DIRECT, INDIRECT OR CONSEQUENTIAL, IN CONNECTION WITH OR RESULTING FROM THE PURCHASE, USE OR SALE OF THE PRODUCTS.**
10. **THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF.**

**Assignment:** Buyer shall not assign its order or any interest therein or any rights thereunder without the prior written consent of Seller.

**Cancellation:**

1. Seller shall have the right to cancel an order if at any time Buyer does not strictly comply with all the terms and conditions contained herein or if Buyer's credit standing is any time disapproved by Seller by giving written notice of this decision to Buyer. The notice shall be effective when mailed.
2. Contracts shall not be subject to cancellation without Seller's written consent.
3. In the event that cancellation of an unfinished contract is accepted in writing by Seller, Buyer agrees to pay without delay the full contract price for all delivered Products, cancellation charges for any unfinished portion of the contract (taking into account actual expenditures by Seller, including, but not limited to, overhead charges) and reasonable profit on the unfinished portion of the contract.

**Confidentiality:**

1. All information that Buyer acquires from Seller hereunder, directly or indirectly, and all information that arises out of the sale of the Products hereunder, concerning such Products and/or proprietary processes involved, including without limitation, any confidential or proprietary information relating directly to Seller's business and that of its affiliated companies and subsidiaries, including, but not limited to, information regarding products, customer lists, pricing/costing policies and data, operational methods, marketing plans and strategies, product development techniques or plans, business acquisition plans, methods of manufacture, technical processes, drawings, designs and design projects (specifically including, without limitation, any drawings or designs

furnished in connection herewith), inventions and research programs, trade "know-how", trade secrets, specific software and computer/PLC/microprocessor programs, object and source codes, user manuals, systems documentation, and other business affairs of Seller and its affiliated companies and subsidiaries (collectively, "Proprietary Information") shall remain the sole and exclusive property of Seller.

2. Buyer (i) shall hold Seller's Proprietary Information in strictest confidence, (ii) shall not disclose Seller's Proprietary Information to others (including, without limitation, competitors of Seller) for any purpose (including, without limitation, for the purpose of obtaining quotations for products competitive with or similar to the Products), (iii) shall use Seller's Proprietary Information solely for purposes of operating and maintaining the Products purchased hereunder as permitted herein and (iv) shall, upon Seller's request, either promptly deliver to Seller all such Proprietary Information that is in written, electronic or other form, including copies and summaries, or, at Seller's option, destroy such Proprietary Information and provide Seller certification of such destruction. Buyer shall limit disclosure of Seller's Proprietary Information to its officers, partners, employees and professional advisors with a reasonable "need to know" the information.
3. Nothing herein shall be construed as granting any rights or licenses in any Proprietary Information beyond the right to use such information only for the limited purpose expressly specified herein.

**Intellectual Property:**

1. Seller hereby retains all rights, title and interest in and to any drawings, designs, specifications, models, perspectives, software, source code or object code, or other intellectual property, including, but not limited to, copyrights, patents, trademarks and trade secrets, created or to be created in connection with any quotation for the sale of Products or the sale of any Products pursuant hereto (collectively, the "Intellectual Property").
2. Seller grants to Buyer a limited, nonexclusive, royalty-free, worldwide, right and license to use the Intellectual Property solely and exclusively for the purpose of operating and maintaining the Products and for no other.

**General:**

1. In the event of breach or repudiation by Seller, Buyer shall not be entitled to incidental or consequential damages, including without limitation those for loss of use.
2. **The Products are provided by Seller from its offices within the State of North Carolina, United States of America. These Terms & Conditions and any dispute arising out of or related to the Terms & Conditions or use of the Products shall be governed in all respects by and construed and enforced in accordance with the laws of the State of North Carolina, without regard to its conflicts of law principles. Exclusive jurisdiction over any cause of action arising out of these Terms & Conditions or Buyer's use of the Products shall be in state or federal courts located in North Carolina. Buyer further agrees to submit to the exercise of personal jurisdiction of such courts for the purpose of litigating any such claim or action.**
3. Seller's order confirmation may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The exchange of copies of Seller's order confirmation and of signature pages by electronic transmission (including, without limitation, facsimile or electronic mail) shall constitute effective execution and delivery of Seller's order confirmation as to the parties thereto and may be used in lieu of the original for all purposes. Signatures of the parties transmitted by electronic transmission (including, without limitation, facsimile or electronic mail) shall be deemed to be their original signatures for all purposes.
4. No agent, salesman, or distributor has any authority to obligate Seller by any terms, stipulations or conditions not herein expressed.
5. Neither the warranty nor any other provision stated herein entitles Buyer or any third party to damages, direct, indirect or consequential, for personal injury arising from the installation, operation, servicing or use of the Products and Buyer agrees to assist the Seller and to hold the Seller harmless in effectuation of this provision.
6. In the event Buyer's insurance covers any claim by Buyer resulting from or relating to damage to the Products, or loss or damage of any kind resulting from, related to or arising out of Buyer's use of the Products, Buyer waives all rights against Seller associated therewith and explicitly covenants and agrees to waive any and all subrogation rights on behalf of its insurance carriers. In the event any insurance carrier asserts a claim or cause of action against Seller in derogation of the foregoing, Buyer agrees to indemnify and hold Seller harmless from and against any and all damages, losses, deficiencies, costs and expenses (including attorneys' fees and court costs), claims or causes of action asserted against Seller resulting from or relating to damage to the Products, or loss or damage of any kind resulting from, related to or arising out of Buyer's use of the Products.
7. Seller will supply Buyer with a copy of the operator's manual for the Products. Buyer, and any personnel operating the Products, must thoroughly read and review such operator's manual and adhere to any provisions contained therein at all times. It shall be the Buyer's sole responsibility to install, operate and maintain the Products in accordance with the operator's manual. Buyer hereby covenants and agrees to assume this responsibility and assumes the obligation to mitigate any hazards surrounding the operation of the Products.

**THIS PROPOSAL IS VALID FOR 30 DAYS AND CONTAINS ALL TERMS, CONDITIONS, PRICES, AND OFFERS BETWEEN PARTIES.**

**Thank you for your order!**

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Signed:

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Accepted By:

\_\_\_\_\_  
Date

C:

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Title:

encl.