

STANDARD TERMS AND CONDITIONS OF SALE

**Unless otherwise modified in writing by an officer of Bellman-Melcor Holdings, all offers of sale of products and acceptance of offers are contingent upon, and shall be governed by, the following Terms and Conditions, which are incorporated into each and every purchase order and sale by Bellman-Melcor Holdings.**

1. THESE TERMS AND CONDITIONS. All products and services are furnished in accordance with these Standard Terms and Conditions of Sale of Bellman-Melcor Holding and its related entities. ("Seller") and any terms and conditions printed on the face of the accompanying invoice or quotation. IF THESE TERMS AND CONDITIONS ARE NOT ACCEPTABLE, BUYER MUST SO NOTIFY SELLER in writing IMMEDIATELY. Any provision in Buyer's order that conflicts with, is inconsistent with or is in addition to or contradiction of these Standard Terms and Conditions of Sale shall be deemed waived, and it is agreed that these Standard Terms and Conditions of Sale shall control in the event of any additional or different terms and conditions or any controversy with respect to the terms and conditions of this contract.

2. ACCEPTANCE OF ORDERS. All contracts of sale, including orders, specifications and terms of payment, are subject to final approval and acceptance in writing by an authorize representative of the Seller's home office.

3. PRICES. All prices are subject to change without notice. All shipments will be billed at Seller's prices in effect at time of shipment unless there is an agreed contract price in place between Seller and Buyer.

4. CANCELLATIONS; CHANGES. Cancellations or changes by Buyer must be given in writing and may only be made with Seller's prior consent, and any such cancellation or change, even if consented to by Seller, is subject to payment of cancellation charges or other equitable adjustment to cover any increased cost or expense or loss of profit incurred by Seller. Without limiting the foregoing, Buyer must notify Seller of any request for a decrease in scheduled quantities at least thirty days prior to any scheduled delivery date. Thereafter, a mutually agreed reduction in quantity will be permitted and payment in full must be made for the new quantity scheduled.

5. PAYMENT; SECURITY. Unless otherwise specifically provided herein, terms are as set forth on the accompanying invoice of Seller. If Buyer fails to fulfill the terms of payment, Seller may defer further shipments until such payments are made or may cancel the order or the unshipped portion thereof. Seller reserves the right to require from Buyer, at any time, satisfactory security for performance of Buyer's obligations under any order placed with Seller, and refusal or failure to furnish such security will entitle Seller to suspend shipment until such security is furnished or to cancel the order or the unshipped portion thereof. Seller may assess a 1% per month payment late charge on any payments that extend beyond quoted payment terms. Buyer shall not have any right to set off any amounts due.

6. SECURITY INTEREST. Buyer grants to Seller and to its successors and assigns a purchase money security interest in and to the Products sold under this Agreement and all proceeds and products thereof, including the proceeds of any insurance related thereto. The security interest hereby created shall secure the payment of the purchase price for the Products, together with all costs and expenses, including court costs and attorneys' fees incurred or expended in collecting the indebtedness secured hereby and in enforcing the security interest created hereby.

7. PRODUCT SPECIFICATIONS. All products are subject to Seller's standard manufacturing variations and tolerances. All products made to special specifications shall be inspected and accepted at the Seller's plant when inspection is required.

8. DELIVERY; RISK OF LOSS. All shipments are EXW Seller's plant unless otherwise provided on Seller's invoice. Shipping and delivery dates are approximate and are based on prompt receipt of all necessary information. Title to all products sold, and risk of damage or loss in transit, passes to Buyer on delivery to the initial carrier. In the event of damage or loss in transit, Buyer must give immediate written notice to the carrier's agent at destination and to Seller. Within thirty days after receipt of goods, Seller must be notified or any claims for shortage, errors in shipment or errors in charges.

9. ASSIGNMENT AND SUBCONTRACTING. Seller shall be entitled at all times to assign its rights under the contract (in whole or in part) or to subcontract any part of the work or services to be provided under the contract as it deems necessary or desirable.

10. DELAYS. The Sellers goal is to provide delivery performance to meet or exceed requirements of the buyer. Interruptions to normal business practice are rare, but when they do arise they may delay delivery of goods. Delivery performance delays beyond Seller reasonable control due to causes such as, federal, state, county or municipal laws and regulations, fires, strikes, labor disputes, floods, accidents, embargoes, transportation delays, shortage of railroad cars, shortage of steel, fuel or other material, shortage of labor, act of God, act of government, act of terrorism, act of subcontractor or carrier, or act or omission of Buyer (including any refusal by Buyer to accept changes in pricing), the time of performance shall be extended by a period of time equal to the period of the delay and its resolution.

11. LIMITED WARRANTY. As its exclusive warranty hereunder, Seller warrants its products to be substantially in accordance with Buyer's specifications, and as specified on the Buyer's Purchase Order and otherwise free from defects in material and workmanship at the time of delivery. This includes goods that may be sold by Seller that contain components not manufactured by the Seller EXCEPT FOR THE FOREGOING WARRANTY, SELLER DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, THOSE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

NO AFFIRMATION OF SELLER, BY WORDS OR ACTION, OTHER THAN PARAGRAPHS 11 THROUGH 14 SHALL CONSTITUTE A WARRANTY. SELLER'S WARRANTY DOES NOT APPLY TO ANY PRODUCTS WHICH HAVE BEEN SUBJECT TO MISUSE, MISHANDLING, FIRE, FLOOD, DEFACING, ALTERATION, OR ACTS OF GOD, MISAPPLICATION, NEGLIGENCE (INCLUDING BUT NOT LIMITED TO IMPROPER MAINTENANCE), ACCIDENT, IMPROPER INSTALLATION, MODIFICATION (INCLUDING BUT NOT LIMITED TO USE OF UNAUTHORIZED PARTS OR ATTACHMENTS), CORROSIVE ATMOSPHERE, OR ADJUSTMENT OR REPAIR PERFORMED BY ANYONE OTHER THAN SELLER OR ONE OF SELLER'S AUTHORIZED AGENTS.

ANY CLAIM BY BUYER WITH REFERENCE TO THE PRODUCTS SOLD HEREUNDER SHALL BE DEEMED WAIVED BY BUYER UNLESS SUBMITTED IN WRITING TO SELLER WITHIN THE EARLIER OF (I) THIRTY (30) DAYS FOLLOWING THE DATE BUYER DISCOVERED OR BY REASONABLE INSPECTION SHOULD HAVE DISCOVERED, ANY CLAIMED BREACH OF THE FORGOING WARRANTY, OR (II) THIRTY (30) DAYS FOLLOWING THE DATE OF SHIPMENT. ANY CAUSE OF ACTION FOR BREACH OF THE FOREGOING WARRANTY SHALL BE BROUGHT WITHIN ONE YEAR FROM THE DATE THE ALLEGED BREACH WAS DISCOVERED OR SHOULD HAVE BEEN DISCOVERED, WHICHEVER OCCURS FIRST.

12. EXCLUSIVE REMEDY. SELLER'S ENTIRE AND EXCLUSIVE LIABILITY, WHETHER FOUNDED ON WARRANTY, CONTRACT, NEGLIGENCE OR OTHERWISE, AND BUYER'S EXCLUSIVE AND SOLE REMEDY, IS LIMITED TO REPAIR OR REPLACEMENT OF DEFECTIVE PRODUCTS OR, AT SELLER'S OPTION, RETURN OF THE PURCHASE PRICE. If Buyer delivers a written notice of breach of warranty to Seller within thirty days after delivery of any product furnished hereunder, then, after reasonable opportunity to investigate whether the product is defective, Seller at its option will either replace the product or repay the contract price and any transportation charges for such product upon its return. No returned product will be accepted unless Seller has first authorized its return. Returned products must be accompanied by a packing slip showing in detail the list of the returned products and the date of Seller's authorization of their return. Seller will not be responsible for transportation charges for any products returned without authorization or as to which Seller determines there has been no breach of warranty. FAILURE BY BUYER TO DELIVER A WRITTEN NOTICE OF CLAIM TO SELLER WITHIN THIRTY DAYS AFTER THE ACTUAL DELIVERY DATE OF ANY PRODUCT SHALL CONSTITUTE A WAIVER BY BUYER OF THE FOREGOING EXCLUSIVE REMEDY.

13. LIABILITY LIMITATION WHETHER OR NOT ANY DELAY OR DEFAULT IS SO EXCUSABLE, SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OF ANY KIND WHATSOEVER, WHETHER DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, SPECIAL OR CONSEQUENTIAL, INCLUDING, WITHOUT LIMITATION, ANY DAMAGE OR INJURY TO PERSON OR PROPERTY, LOST SALES OR PROFIT OR INCREASED COST OR EXPENSE, RESULTING, DIRECTLY OR INDIRECTLY, FROM ANY FAILURE TO MANUFACTURE, BREACH OF WARRANTY OR DELAY IN DELIVERY. NO CLAIM OF ANY KIND, WHETHER AS TO PRODUCTS DELIVERED OR FOR NON-DELIVERY OF PRODUCTS, SHALL EXCEED THE AMOUNT OF THE PRICE BUYER PAID FOR THOSE PRODUCTS UNDER THIS CONTRACT. THE SELLERS GOAL IS TO BE 100% ON TIME FOR ALL PRODUCTS AND SERVICES PROVIDED TO THE BUYER

14. BUYER DETERMINATION. BUYER ACKNOWLEDGES THAT IT ALONE HAS DETERMINED THAT THE PRODUCT(S) PURCHASED SHALL SUITABLY MEET ITS REQUIREMENTS AND BUYER IS RESPONSIBLE FOR ASSURING PERFORMANCE TO THE PRODUCTS INTENDED FUNCTION. It is expressly understood that any technical advice or recommended operating practices furnished by Seller with respect to the use of Products is given without charge and Seller assumes no obligation or liability for the advice or recommended installation or operating practice given or results obtained. All such advice or recommended practices are accepted as simply recommendations and accepted at Buyer's risk and discretion.

15. TAXES, TARIFFS AND CHARGES. Seller may add any such taxes or charges to the price quoted herein, and collect and remit any such taxes, tariffs or charges to the proper authorities, unless Buyer provides an acceptable exemption certificate in accordance with applicable law.

16. INTELLECTUAL PROPERTY RIGHTS. Buyer shall indemnify and hold Seller harmless from and against any and all liability for costs or damages awarded against Seller for infringement of any Intellectual Property Rights claims covering the Goods manufactured to designs or specifications of Buyer.

17. COMPLIANCE WITH LAWS. Buyer agrees to comply with all applicable laws, including but not limited to, the provisions of the Export Administration Regulations of the United States Department of Commerce and the International Traffic in Arms Regulations of the United States Department of State, as they currently exist and as they may be amended from time to time.

18. NO CONFIDENTIALITY. Unless otherwise agreed in writing, no commercial, financial or technical information, including but not limited to any specifications, drawings, prototypes and information, furnished or prepared by Buyer to Seller in connection with this quote will be deemed secret or confidential, and Buyer shall have no rights against Seller with respect thereto.

19. NO WAIVER. The failure of Seller or Buyer to insist, in any one or more instances, upon the performance of any of the terms or conditions of this contract, or to exercise any right hereunder, shall not be construed as a waiver of the future performance of any such term or condition or the future exercise of such rights, nor shall it be deemed to be a waiver of any other terms or condition, or the exercise of any other rights under this contract.

20. GOVERNING LAW/JURISDICTION. This contract shall be construed and enforced according to the domestic substantive laws of the State of Illinois without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other state. If any provision of these Standard Terms and Conditions of Sale is declared unlawful or invalid, the remaining provisions shall nevertheless continue in full force and effect. All disputes arising out of or relating to these Terms and Conditions or the sale of any product(s) to Buyer shall be resolved exclusively in the state or federal courts located in Will County, Illinois, and Buyer's purchase of goods constitutes its consent to the jurisdiction of such courts. In the event that Seller brings an action to enforce the terms of this agreement, Buyer agrees to pay all costs and expenses sustained by Seller, including, without limitation, reasonable attorneys' fees and costs.

21. ENTIRE AGREEMENT. These Standard Terms and Conditions and the provisions on Seller's invoice constitute the sole and entire agreement between Seller and Buyer, and shall govern exclusively as to the sale and delivery of any goods or services to Buyer. Such terms and conditions supersede any different, additional or inconsistent language, terms and conditions in Buyer's order or in any other communication between Seller and Buyer, notwithstanding any statement in Buyer's terms to the contrary. All prior communications, representations, negotiations and promises with respect to this sale are merged herein. Any purported modification or revision of this agreement or any part hereof, or waiver of any breach thereof, whether written or oral, shall be of no effect unless expressly agreed to in a writing signed by an authorized representative of each party.