TERMS AND CONDITIONS
OF
TITAN INDUSTRIES, INC. ("SELLER")

1) PAYMENT AND TERMS. The sales price shall be as stated on the Proposal. The services to be provided by Seller are limited to those specifically delineated in the Proposal. Unless otherwise stated in the Proposal, payment is due in full prior to shipment of product, time being of the essence. If shipment is delayed by Buyer, date of readiness for shipment shall be deemed to be the due date for payment purposes. Accounts past due shall be charged a late fee at a rate of 1.5% per month, or the maximum amount permitted by law, from the date of invoice. To the extent permitted by applicable law, Buyer shall be liable to Seller for all costs of collection, including but not limited to actual reasonable attorneys' fees, incurred by Seller in connection with actions or efforts to collect any balance owed by Buyer. Failure to make payment in full prior to shipment of product will result in delay of product delivery.

2) DELIVERY TERMS. Unless otherwise specifically provided in this Proposal, delivery terms shall be FOB Seller's plant of manufacture. Buyer shall pay all shipping costs when due and bear the risk of loss after Seller places the product in the possession of the carrier. Shipping dates submitted are approximate and based upon conditions at the factory at the date of Proposal. Seller shall use its best reasonable efforts to meet the approximated shipping date(s), provided that Buyer timely supplies all necessary information. Failure of Buyer to pay in full and accept delivery of product within two (2) business days of completion will result in assessment of additional storage charges. Seller shall not be responsible for damage or loss in transit and all claims shall be made by Buyer directly to or with the carrier. Claims for shortages or incorrect packing lists shall be made in writing within seven (7) days from the date of the shipment by Buyer and failure to give Seller written notice within that period of time shall be an unqualified acceptance of the shipment and a waiver of all claims for shortages and/or incorrect packing lists.

3) FORCE MAJEURE. Seller shall not be liable for any failure of any performance under this Agreement if such failure is occasioned by war, labor shortage, materials shortage, fire, flood, or by any act of God, or by any other cause beyond the control of Seller. Time is not of the essence with respect to Seller's performance hereunder.

4) CANCELLATION. The following charges, as a percent of the total order value, apply any time an order is cancelled prior to shipment: thirty percent (30%) if cancelled prior to approval of engineering drawings; sixty percent (60%) if cancelled after approval of engineering drawings, but prior to start of fabrication; ninety percent (90%) if cancelled during any stage of fabrication or assembly; or one hundred percent (100%) if cancelled at completion of fabrication or assembly or at any stage of shipping.

5) WARRANTY. Seller warrants that the material in and the workmanship on the equipment manufactured by Seller will be free from defects at time of shipment. If during the first year from the date of shipment, the Buyer establishes to the Seller's satisfaction that any part or parts manufactured by Seller were defective at the time of shipment, Seller will, at its own expense, repair or replace, but not install, the defective parts. For purposes of time under this warranty, one (1) year will constitute 2080 hours of operation based on an 8-hour day. Seller's liability under this warranty is limited to replacement parts only and Seller will make no allowance for corrective work completed unless agreed to in writing by the Seller. Failure to receive Seller's written approval prior to modifying equipment will result in this warranty being void. Charges for correction of defects by others will not be accepted, unless so authorized in writing by an officer of the company, prior to performance of the work. Damage caused by deterioration due to extraordinary wear and tear (including, but not in limitation, use of said equipment to handle products of a size, weight, and shape at speeds or methods which differ from information originally provided), chemical action wear caused by the presence of abrasive materials or by improper maintenance or lubrication or improper storage prior to installation, shall not constitute defects. Failure to properly install equipment shall not constitute defects. Warranty does not cover consumable items. Warranty does not cover belt tracking or adjustments at installation or periodic adjustments that may be required during normal operation. Refer to the maintenance manual for belt tracking instructions. The components used in manufacture of said equipment, which were manufactured by others, will carry such manufacturers' customary warranty, which Seller will obtain for Buyer upon request. No representative of Seller has been conferred with any authority to waive, alter, vary, or add to the terms of the warranty stated herein, without prior authorization in writing executed by an officer of Seller. The foregoing is in lieu of any and all other warranties, expressed or implied, or those extending beyond description of the product.

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6) LIMITATION OF WARRANTY. Seller shall not be liable to Buyer or anyone claiming by, through, or under Buyer for any error of judgment or mistake of law or for any loss, except a loss resulting from willful malfeasance, bad faith or gross negligence on the part of Seller. SELLER MAKES NO ADDITIONAL WARRANTIES WITH RESPECT TO THE PRODUCTS OR SERVICES SOLD HEREUNDER. ANY IMPLIED WARRANTY OF MERCHANTABILITY, AND ANY IMPLIED WARRANTY THAT THE GOODS OR SERVICES ARE FIT FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED.

7) ADDITIONAL CHARGES. Prices are exclusive of all taxes – federal, state or local, which shall be paid directly by Buyer. Sales tax for the State of Wisconsin will be collected unless a tax exempt certificate is on file with the Seller's accounting department. There will be added to the quoted price any sales or other tax or duty Seller pays or is required to collect or pay upon sale of merchandise quoted. If such amount is not included in invoice for the merchandise, it may be invoiced separately later.

8) GOVERNING LAW; JURISDICTION. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of Wisconsin, exclusive of Wisconsin's conflict of laws provisions. Any and all claims, questions or disputes regarding the interpretation performance and enforceability of this Agreement, the rights and remedies of the parties hereunder, and all related actions or counterclaims shall be initiated and or prosecuted exclusively in Outagamie County Circuit Court, Appleton, Wisconsin. The parties further agree to submit to the jurisdiction of said courts.

9) LIMITATION OF LIABILITY. Notwithstanding any other provision, the total liability, in the aggregate, of Seller and Seller's officers, directors, employees, and agents to Buyer for any and all claims, losses, costs or damages whatsoever arising out of, resulting from or in any way related to the goods or services provided by Seller shall not exceed the amounts actually received by Seller from Buyer. Notwithstanding any other provision, Seller and Seller's officers, directors, employees, and agents shall not be liable to Buyer for any special, incidental, indirect or consequential damages whatsoever.

10) ENTIRE AGREEMENT. This Agreement is the entire agreement between the parties with respect to the transaction contemplated herein and supersedes all previous written or oral negotiations, commitments and writings. No promises, agreements, representations or warranties with respect to said transaction have been made by any of the parties except as set forth herein.

11) ACCEPTANCE OF WORK PRODUCT. Buyer shall inspect the product immediately upon receipt. Buyer shall be deemed to have irrevocably accepted the work as conforming to the contract if Buyer has not given to Seller a written notice of rejection, describing in detail the basis for rejection, within one (1) week after delivery. In the event of rejection, Seller shall have a reasonable amount of time to revise and resubmit the work to the Buyer, in which case the previous provisions shall again apply regarding acceptance by Buyer.

12) INDEMNIFICATION OF EQUIPMENT. Buyer hereby indemnifies and holds Seller harmless from any and all claims for damages sustained by Seller, Buyer, or any third party with respect to alleged infringements of a United States patent by any equipment furnished hereunder.

13) MACHINE USE AND SAFETY. It is the Buyer's sole responsibility to provide proper safety devices and equipment to safeguard the operator from harm or any particular use, operation, or set up, and to adequately safeguard the machine, or machines, to conform to all federal, state, and local government safety standards, and all industry safety standards.

14) LOCAL LAW AND CONDITIONS. If national or local laws, regulations, orders, or unusual climate conditions, require modification(s) of the goods or services, which modification(s) is not within Seller's standard specifications, Buyer shall specify in detail and pay for such modification(s) according to Seller's normal pricing policy in addition to the price stated herein. If such modification(s) alter the performance of or prevent the goods or services from performing according to specifications, Seller shall not be liable therefor and shall not be required to meet those specifications to the extent that the performance may be adversely affected.

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