

Industrial Models, Inc.

TERMS AND CONDITIONS OF SALE

Invoices are payable net 30 days all claims for adjustment must be made within ten days from date of invoice.

Unauthorized materials returned for credit may be subject to a restocking charge.

Customers should examine goods before receiving same from transportation company, and any damage or loss in transit should be noted on freight receipt before paying freight charges, and claims for such made to the transportation company.

We absolutely assume no responsibility for damage to goods in transit.

A finance charge of 1 ½% per month (18% per annum) will be charged on past due accounts.

Parts must be returned in original packaging and condition, any modification immediately terminates any and all warranties .

1. Industrial Models, Inc. warrants that all goods conform to the specifications contained herein.

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED.

2. Except as otherwise provided herein, Industrial Models, Inc. shall not be responsible for freight, transportation, insurance, shipping, storage, handling, demurrage or similar charges, and all such charges shall be for the account of and be paid by Buyer.
3. Seller reserves the right to correct quantities or prices due to typographical, clerical, or mathematical errors. The price stated in Seller's quotation or acknowledgment is based upon Seller's current costs. If costs increase during the life of this order, Buyer will be notified of any adjustment of the price; provided, however, that no price adjustment will be made without Buyer's agreement on orders for delivery within 30 days of the date of a price quotation. Buyer shall reimburse Seller for any excise, sales, use or other taxes incident to this transaction for which Seller may be liable or which Seller is required by law to collect.
4. Industrial Models, Inc. shall not be responsible for any delay in delivery due to causes beyond the control of Industrial Models, Inc. or Industrial Models, Inc.'s, supplier(s) including but not limited to , acts of God, war, mobilization, civil commotion, riots, embargoes, domestic or foreign governmental regulations or orders, fires, floods, accidents, machinery breakdowns, quarantine, strikes, lockouts or other labor difficulties, shortages of or inability to obtain shipping space or transportation, or inability to obtain timely delivery from Industrial Models, Inc.'s supplier(s). In the event of delay in delivery due to any such causes, the time for delivery shall be extended automatically for a period of 45 days. If delivery is not made within such extended period the contract will be terminated without liability except for payment of any monies due to Industrial Models, Inc. for material and labor costs incurred. Provided however, that in no event may Buyer cancel this order for delays in delivery due to Force Majeure after goods have left point of shipment.

5. All claimed damage, nonconformities to contract specifications or defects (which are or reasonably should be discovered) and all claimed shortages in deliveries shall be recorded on dock delivery receipt(s) prior to removal of goods from pier by Buyer or inland bill(s) of lading and/or truck receipt(s) on goods delivered to Buyer's premises by Industrial Models, Inc., such bill(s) of lading and/or receipt(s) being hereinafter referred to as "documentary support". All claims for damage, nonconformities to contract specifications, defects or shortages in deliveries shall be made promptly after such damage, nonconformities, defects or shortages in deliveries shall be made promptly after such damage, nonconformities, defects or shortages are or reasonably should have been discovered. Any part(s) which have been modified by the Buyer will be considered exempt from warrant claims of nonconformities. All claims of whatever nature shall be made in writing sent by Buyer to Industrial Models, Inc. by registered or certified mail, shall state with particularity the nature of the claim and shall be accompanied by documentary support. Failure to furnish such documentary support shall constitute an absolute bar to any claim. Full facilities shall be offered Industrial Models, Inc. and its insurer for inspection and investigation of all claims. In no event may any claim be more than 30 days after goods are made available to Buyer.
6. In the event that a timely and bona fide claim is made in accordance with the terms hereof, Industrial Models, Inc. shall have the right in its discretion either to replace the goods or to give Buyer an allowance therefore, and Industrial Models, Inc. shall have no further liability with respect to the goods or their use. In no event shall Industrial Models, Inc.'s liability exceed the amount of the purchase price. Industrial Models, Inc. shall under no circumstances be liable for lost profits, injury to goodwill or any other special, incidental or consequential damages. Buyer's obligation to accept and pay for the balance of the goods delivered or to be delivered or to be delivered under the contract shall not be affected by any claim and in no event shall Buyer have the right to reject parts, bundles, packages or other shipping units.
7. Industrial Models, Inc. shall not be liable for normal variations in tolerance, weights, dimensions, straightness, composition, mechanical properties and quantities, except as may be otherwise specified herein, Buyer agrees surface and/or atmospheric rust is normal unless otherwise specified herein.
8. Unless otherwise expressly stated, Industrial Models, Inc. shall have the right to make delivery in installments. All installments shall be separately invoiced and paid as billed without regard to subsequent deliveries and no offset shall be allowed against the payment due for such installment. Failure to pay for any installment when due may excuse Industrial Models, Inc. from making further deliveries under this or any other contract. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining installments. Delivery dates are approximate and are based on information from Industrial Models, Inc.'s supplier(s). Title to products shall pass only upon payment of the full purchase price. Notwithstanding the foregoing, all risk of loss shall be borne by Buyer from the time of delivery of the products by Seller to a public carrier or other manner of transportation. Charges for tools, dies and other equipment cover only a portion of their cost and ownership and sole right to possession and use thereof shall not pass to Buyer but shall remain in Seller.

9. Buyer hereby represents that it is solvent and Buyer's signing of any deliver receipt (however denominated) furnished by Buyer to the delivering carrier shall constitute a further representation of solvency at the time of signing such receipt. Industrial Models, Inc. shall have the right to withhold delivery of any portion of the goods covered by this contract, or any other contract between Industrial Models, Inc. and Buyer, in the event Buyer fails to make payment when due under any contract between Buyer and Industrial Models, Inc. or in the event of Buyer's insolvency. Said action on the part of Industrial Models, Inc. shall not release Buyer from its obligation to accept and pay for such remaining portion of the goods if and when shipped by Industrial Models, Inc. If at any time there is an adverse change in the financial condition or structure of Buyer or if Buyer becomes insolvent, makes an assignment for the benefit of creditors, or a petition in bankruptcy with respect Buyer is filed, or if any lien arising from judicial process or otherwise, is placed upon any material asset of Buyer, then Industrial Models, Inc. shall have the right to cancel the contract without liability on its part or to change the credit terms of the contract including but not limited to requiring the payment of cash in advance of delivery. Industrial Models, Inc.'s remedies specified herein are cumulative and Industrial Models, Inc. shall have any and all other remedies provided by law. Buyer grants Industrial Models, Inc. a purchase money security interest in all goods delivered until payment in full is received and agrees to cooperate in the preparation, signing and filing of any documents necessary to substantiate or protect Industrial Models, Inc.'s security interest.
10. All technical and commercial information and ideas which Seller has supplied or shall supply Buyer, but excluding information in the public domain or properly in Buyer's possession in tangible form before receiving such information from Seller ("confidential information") is proprietary to Seller and is disclosed to Buyer in confidence for the limited purpose of assisting Buyer in the evaluation or use of Seller's products. Buyer shall not without Seller's prior written consent, disclose or make available such confidential information to any other person or use such confidential information except for such limited purpose. All confidential information shall be returned to Seller on demand, and, in any event, when no longer needed by Buyer in connection with Seller's products. In addition to Seller's other remedies, Buyer agrees that any benefit or property derived by Buyer from any unauthorized use of confidential information shall be the sole and exclusive property of Seller.
11. In those instances in which Seller provides health or safety information, warning statements, and/or instructions in connection with the installation, use or maintenance, including preventive maintenance, of its products (and Seller assumes no obligation to do so), Buyer agrees to comply with all such information, warnings and instructions. Buyer further agrees to communicate all such information, warnings and instructions to its employees, agents and subcontractors, and to subsequent buyers and users of those products. Buyer will comply with all applicable laws. Buyer will indemnify and hold Seller harmless for Buyer's breach of these terms and conditions.
12. Notwithstanding delivery of and the passing of title in any product, nothing in these terms and conditions shall have the effect of granting or transferring to, or vesting in, Buyer any intellectual property rights in or to any products. Buyer will protect and indemnify Seller against all claims arising out of patents, designs, trade secrets, copyrights, or trade names with respect to products manufactured wholly or partially to Buyer's designs or

specifications, including any costs, expenses, loss, attorneys' fees, settlement payments, or damages.

13. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration held in the State of Illinois in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator(s) may be entered in any Court having jurisdiction thereof.
14. In the event of Buyer's failure to fulfill any of its obligations hereunder, Buyer shall reimburse Industrial Models, Inc. for all costs and expenses incurred by Industrial Models, Inc. in enforcing its rights and recovering any and all resulting damages, including, but not limited to, reasonable attorneys' fees, cost and expenses of arbitration, litigation, collection, and enforcement of any arbitration award or judgment.
15. No claim or cause of action of any kind arising under the contract may be asserted more than one (1) year after the date on which such cause of action arises.
16. The invalidity or unenforceability of any particular provision of this contract or portion thereof shall not render invalid the remainder of this contract or the remainder of such provisions.
17. This writing constitutes the entire agreement between parties, all prior representation having been merged herein. No claimed change, termination or waiver of any of its provisions shall be valid unless agreed to in writing by both parties.
18. This contract shall be governed by and construed according to the laws of the State of Illinois.
19. Buyer may not assign or transfer all or part of its rights or obligations under this order without the prior written consent of Seller. These terms and conditions constitute the entire agreement and understanding between Buyer and Seller in connection with the subject matter of this order, and supersede all prior oral or written communications, representations or agreements in relations thereto.