

TERMS AND CONDITIONS OF THIERICA EQUIPMENT CORPORATION

ACCEPTANCE Acceptance of this Purchase Order is hereby expressly limited to the terms and conditions hereof. Any terms proposed by Seller which add to, vary from, or conflict with the terms herein shall be of no force or effect. If this Purchase Order has been issued by Buyer in response to an offer, the terms of which are additional to or different from any of the provisions hereof, then the issuance of this Purchase Order by Thierica shall constitute an acceptance of such offer subject to the express condition that this Purchase Order constitutes the entire agreement between Thierica and Seller.

ACKNOWLEDGEMENT Purchase orders must be acknowledged for price and delivery by electronic mail or fax within one working day.

DELIVERY The obligation of Seller to meet the delivery dates, specifications, and quantities as set forth herein is of the essence of this order. Except as otherwise provided herein, title and risk of loss on all goods supplied to Thierica hereunder shall pass to Thierica upon delivery to Thierica, f.o.b. place of shipment.

PACKING The vendor is responsible for assuring that items shipped on behalf of Thierica Equipment Corporation are packaged in a manner to assure there is no damage or losses in transit.

TITLE TO RISK OF LOSS Unless noted otherwise on the purchase order title to and risk of loss of items purchased under the purchase order shall remain with the vendor until the items are delivered to their destination.

PREMIUM FREIGHT Premium freight required to make sure items are delivered by the dates specified on the purchase order will be the responsibility of the vendor unless otherwise stated on the purchase order.

DELAYS The vendor shall immediately inform Thierica if there are any problems that may cause delay in shipping on time to meet the required schedule. No changes can be made to the delivery schedule without written authorization.

CHANGES The vendor will not make any changes in materials, components, manufacturing methods, or process without prior written approval from Thierica's authorized representative.

TAXES Unless otherwise indicated, the prices set forth in this Purchase Order do not include applicable federal, state, and local taxes. All such taxes shall be stated separately on Seller's invoice. Seller agrees to pay any and all personal property taxes ad valorem, or value added, assessed or otherwise levied against any property placed in the hands of Seller by Thierica.

INSPECTION If any of the goods hereunder shall be defective in material or workmanship, or otherwise not in conformity with the requirements of this order, Thierica, in addition to its other rights, may reject the same for full credit or may re-work same at Seller's expense, or require prompt correction or replacement thereof at Seller's expense including transportation charges. Nothing herein shall relieve Seller of the obligation to make full and adequate testing and inspection of goods sold hereunder. In the event that this Purchase Order covers the acquisition of capital equipment, or goods and services related thereto, Thierica reserves the right to make final inspection and acceptance of such equipment, or related goods and services, after final installation.

WARRANTY Seller warrants that all goods or services ordered hereunder will conform to the specifications, drawings or samples, whether furnished by Seller or provided by Thierica, and will be merchantable and free from any defects in material, design and workmanship; and Seller further warrants that all material purchased hereunder is manufactured in accordance with the Seller's specifications and shall be fit and sufficient for the purposes for which it was intended. Seller shall hold Thierica harmless from any loss, damage, or expense whatsoever, including attorneys' fees, that Thierica may incur as a result of any breach of such warranties.

DEFAULT In the event of Seller's default or apparent inability to perform this order, Seller agrees, upon demand by Thierica, to deliver to Thierica the raw materials and work in process acquired in order to perform under this order, and Thierica may then complete the work, deducting the cost of such completion from the price, or in the alternative, pay to Seller the reasonable cost of such raw materials and work in process.

PATENTS, ROYALTIES, AND ENCUMBRANCES All goods and services supplied must be free from liability or royalties, patent rights, liens, or other encumbrances. Seller warrants that the goods specified in this Purchase Order and their sale or use alone, or in combination according to Seller's specification or recommendations, if any, will not infringe upon any United States or foreign patents. Seller agrees to indemnify and hold harmless Thierica and anyone selling or using any of Thierica's products against all judgments, decrees, costs and expenses resulting from any alleged infringement as aforesaid, and Seller further agrees that, upon request of Thierica and at Seller's expense, Seller will defend Thierica's products by reason of any such alleged infringement.

COMPLIANCE WITH LAWS Seller warrants that no law, rule, regulation or ordinance of the United States, a state or local government, or any other governmental agency, has been violated in the manufacture or sale of the items, or in the performance of services covered by this order, and will indemnify and hold Thierica harmless from loss, cost or damage as a result of any such actual or alleged violation.

GRATUITIES Seller warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Thierica any gratuity with a view toward securing any business from Thierica by influencing such person with respect to the terms, conditions or performance of any contract with or order from Thierica.

NONDISCLOSURE OF CONFIDENTIAL MATTER Materials purchased hereunder with Thierica's specifications or drawings shall not be quoted for sales to others by Seller without Thierica's written authorization. Such specifications, drawing, samples, or other data furnished by Thierica or any other information gained by Seller in conjunction with this Purchase Order shall be treated as confidential information by Seller, shall remain Thierica's property, and shall be returned to it on request.

TOOLING Invoices for tools, if tooling is expressly covered by this Purchase Order, will not be paid until production pieces are approved by Thierica's inspection department. Tooling is defined as all materials, drawings, tools, dies, fixtures, patterns, molds, testing apparatus, machinery and equipment, together with all other manufacturing aids used in the manufacture by Seller. In the event any tooling purchased hereunder is furnished by Thierica at its expense or is furnished by Seller and the cost thereof paid by Thierica, such tooling shall be Thierica's sole property and shall be subject to removal at any time at the option of Thierica. Seller agrees, at its expense, to maintain in commercially usable condition and in good order and repair, appropriately identify, inventory, preserve and store all Thierica-owned items of tooling referred to in this paragraph for such period of time as may be mutually agreed upon by Thierica and Seller. Any and all items of tooling which are Buyer's sole property shall at any reasonable time be subject to inspection and examination by Thierica. Such property, while in Seller's custody and control, shall be held at Seller's risk and shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Thierica.

INDEMNITY AND HOLD HARMLESS Seller shall indemnify and hold harmless Thierica from any and all liability, losses, claims, damages, suits, and demands, including attorney fees and costs, that may arise as a result of injuries or alleged injuries suffered by any person as a result of use of goods manufactured and/or assembled by Seller and sold to Thierica pursuant to this Purchase Order.

NOTICE OF LABOR DISPUTES Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller will immediately notify Thierica of such dispute.

APPLICABLE LAW This transaction shall be governed by and interpreted in accordance with the laws of the state of Michigan.