

Allison Systems Corporation
STANDARD TERMS AND CONDITIONS OF SALE

PURCHASE AND SALE OF PRODUCTS. These Standard Terms and Conditions of Sale ("Terms") contained herein shall apply to all quotations and offers made by, and orders accepted by, Allison Systems Corporation ("Allison"). In the event of any conflict between these Terms and any terms set forth on a purchase order or other procurement document issued by the Buyer, these Terms shall in all respects be controlling regardless of any provision in such purchase order or procurement document stating (i) its terms shall be controlling or (ii) that agreement upon the purchase is conditional upon agreement to specified terms or conditions (which conditional language shall be inoperative); unless such conflict shall be resolved by a written amendment or waiver of these Terms signed by both parties. Allison's failure to object to provisions contained in any purchase order, procurement document or other communication from Buyer shall not be deemed a waiver of the provisions herein. Allison reserves the right to revise the Terms at any time. Any such revision will be binding and effective immediately upon posting of the revised Terms on Allison's web site. Allison's most current Terms may be found at www.allisonblades.com/Terms-And-Conditions.html. No other modification or waiver of these Terms shall be binding unless agreed to in writing by authorized representatives of Allison and Buyer.

ORDERS. Orders from Buyer shall only be binding upon Allison when accepted by Allison. All orders for custom products, including doctor blades, are non-cancelable upon acceptance of the order by Allison without Allison's prior written consent. If an order is cancelled, Buyer must reimburse Allison any costs, charges, or expenses that Allison has or may suffer as a result of such cancellation. Each order is subject to a \$100 aggregate minimum. Buyer may request rush orders or same-day or next-day shipping on orders, although Allison does not guarantee such rush orders or same-day or next-day shipping. Allison may impose an additional \$50 charge for same-day and next day shipping. Delivery dates for shipments provided by Allison are estimates only, and Allison shall have no liability for any failure to meet any estimated delivery date.

PRICE. Prices quoted apply to an order for the quantities specified for orders shipped before December 31 of the year in which the quote is dated. Prices do not include freight, handling fees, taxes, or other duties. Allison reserves the right to change pricing during a calendar year in the event of unforeseen circumstances beyond Allison's control, such as Government action affecting applicable tariffs or availability of material. Allison will use reasonable commercial efforts to provide Buyer with thirty (30) days' advance notice of any such price changes.

PAYMENT. Payment terms for products, equipment and parts ("Products") purchased by Buyer without established credit terms from Allison are due on Allison's invoice date. All credit card Products purchases are processed on the invoice date. If Buyer has established credit terms with Allison, payment for Products is due Net 30 from the invoice date, unless otherwise agreed by the parties in writing. All sums shall be payable in legal tender of the United States of America. Buyer shall reimburse Allison for all taxes or other charges or fees Allison is required to pay to any governmental authority as a result of the manufacturer, sale, shipment or use of a Product (other than income taxes payable by Allison). If Buyer is in any respect in default under any provisions hereof, Allison may suspend further deliveries until the default is remedied. Any past due amounts owing to Allison shall accrue interest at the lesser of one percent (1%) per month, or the maximum interest rate permitted by applicable law. Any wire transfer fees incurred by Allison are the responsibility of Buyer and will be invoiced by Allison to Buyer. Buyer shall pay to Allison all costs, expenses and fees including, without limitation, attorneys' fees, incurred by Allison in collecting any amounts due and owing hereunder. In the event Buyer fails to make a required payment hereunder, Allison may, in addition to any other rights or remedies it may have, defer shipments, accelerate due dates on some or all amounts owed, and/or require cash or other security.

SHIPMENT. Products shall be delivered by Allison to Buyer at such delivery location as is specified on the Buyer's purchase order. Title to and risk of loss of the Products shall pass to Buyer at Allison's place of business in Riverside, New Jersey (the "Point of Delivery") upon delivery to a common carrier. Buyer shall be responsible for all expenses incurred for the transportation, cartage and storage of the Products from and after delivery of such Products to the carrier at the Point of Delivery, including insurance charges and any applicable taxes and government charges or levies in connection therewith. Allison may, in its sole discretion, purchase insurance on any shipment to Customer, and charge Customer for same. Allison will credit to Customer any amounts paid on claims under any such insurance paid by Customer. Allison shall not be liable to Buyer for any damages claimed or other liabilities resulting from delay in delivery. Orders shipped outside the United States may be subject to the customs fees and import duties of the country to which they are being shipped. These charges are due at time of delivery and are always the responsibility of the receiver. These charges are not calculated during shipping and are not collected by Allison. Buyer should consult its local customs office for more details about duties and taxes. Allison is not responsible for delays due to unforeseen circumstances or customs.

RETURNS. Custom products, including doctor blades, are non-returnable without Allison's prior written consent. If Allison consents to a product return, any returned product is subject to a minimum 20% restocking charge depending on their condition when returned and must be returned freight prepaid including insurance charges. Any returned product must be in original packaging.

SAMPLES. Samples shipped by any method other than domestic ground transportation will be shipped by Allison to Buyer at Buyer's expense. Buyer must specify its preferred shipping method and provide its pertinent account information.

LIMITED WARRANTY. Allison warrants to the original Buyer of each Product that the Product will substantially conform to all material specifications set forth in Allison's then current public specifications (the "Specifications") for the following applicable period (the "Warranty Period"): (i) three (3) months from delivery for doctor blades; and (ii) six (6) months from deliver for doctor blade systems, and parts and subassemblies therefor. If a Product does not conform to this Limited Warranty and Buyer provides written notice of same to Allison during the applicable Warranty Period, then Allison shall, at its expense, repair or replace the Product so that it does so conform or, at the discretion of Allison, provide a credit for the Product purchase price, provided that Buyer complies with these Terms including the provision titled **Warranty Service** below. This remedy shall be Allison's sole obligation, and Buyer's sole remedy, for any breach of this Limited Warranty.

LIMITED WARRANTY EXCEPTIONS. Notwithstanding the foregoing, the Limited Warranty shall not apply: (i) if the Product which is subject to the Limited Warranty has been modified, changed or altered by anyone other than Allison or subcontractors, agents or other persons acting at Allison's direction or with Allison's prior, written consent, (ii) if the Product is installed or operated improperly and/or used in any manner other than as contemplated by the Specifications; (iii) if the Product fails due to Buyer's failure to maintain the Product in accordance with the Specifications or any Product documentation delivered by Allison to Buyer with same, or (iv) if the damage or defect is caused by fire, flood, wind, lightning or similar act of God, or any other cause outside the control of Allison.

WARRANTY SERVICE. All warranty related service requests of Buyer shall be directed to Allison for tracking, coordination and resolution. Upon receipt of any service request, Allison shall promptly assist Buyer in resolution of the warranty matter. If Allison is unable to resolve the issue over the phone, Allison will issue a return authorization and instructions. All Products authorized for return to Allison should be returned in their original packaging and be in unused condition. If Allison determines following return of the Product, that the Product does not conform to the Limited Warranty, Allison shall repair or replace the Product as described in the **LIMITED WARRANTY** provision above, and shall return the Product to Buyer at Allison's expense. In the event Allison determines that any problem with a Product is not the result of a breach of warranty, Buyer shall pay Allison for repairing or replacing the Product at Allison's then-current hourly rate, as well as all shipping and insurance costs related to transport of the Product. THE ABOVE LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. ALLISON SPECIFICALLY DISCLAIMS ALL SUCH OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THIS LIMITED WARRANTY GIVES SPECIFIC LEGAL RIGHTS. OTHER RIGHTS MAY APPLY, WHICH VARY FROM STATE TO STATE. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY.

LIMITATION OF LIABILITY. UNDER NO CIRCUMSTANCES SHALL ALLISON BE LIABLE TO BUYER OR ANY OTHER PERSON OR ENTITY FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, INJURIES TO PERSONS OR PROPERTY, LOSS OF USE OF PROPERTY, OR DAMAGES FOR WHICH BUYER MAY BE LIABLE TO OTHER PERSONS OR ENTITIES, ARISING FROM ANY SALE OF PRODUCT, EVEN IF ALLISON HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND WHETHER THE CLAIM IS FOR BREACH OR REPUDIATION OF CONTACT, BREACH OF WARRANTY, TORT, NEGLIGENCE OR OTHERWISE. ALLISON'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO ANY SALE OF PRODUCT SHALL IN NO EVENT EXCEED THE PRICE PAID BY BUYER TO ALLISON FOR SAME. BUYER ACKNOWLEDGES AND AGREES THAT THE LIMITATIONS OF LIABILITY SET FORTH HEREIN ARE MATERIAL AND ESSENTIAL TERMS, AND THAT THE FEES REFLECTED IN THIS INVOICE ARE A DIRECT RESULTS OF THOSE TERMS. SOME STATES DO NOT ALLOW FOR THE EXCLUSION OR LIMITATION OF CONSEQUENTIAL DAMAGES, SO THE ABOVE MAY NOT APPLY.

FORCE MAJEURE. "Force Majeure" means any event beyond the reasonable control of the party affected and includes, without limitation, fire, flood, other natural catastrophes, war, terrorist act, embargo, strike, labor dispute, riot, inability to secure materials, labor or transportation or the intervention or decree of any governmental authority. If any party is delayed by Force Majeure in the performance of its obligations under these Terms, it shall inform the other party, give a description of the cause of the Force Majeure, and provide a good faith estimate of the likely duration of the continuation of the Force Majeure. The affected party's time for performance of its obligations under this Agreement shall be extended during the continuation of the Force Majeure. The foregoing shall not apply to any obligation to make payment hereunder.

PROPRIETARY PRODUCTS. The Products contain the proprietary information and technology of Allison. As a condition of purchase of a Product, Buyer agrees not to disassemble, reverse engineer, modify, or copy the Product, or to permit any third party to do so. Buyer must not remove any proprietary legends or markings on any of the Products.

MISCELLANEOUS.

Assignment and Delegation. Neither these Terms nor any other right, obligation or duty of either party hereunder with respect to the sale and purchase of Products, may be assigned to, or assumed or performed by, any third party, without the prior written consent of the non-assigning party. Any purported assignment or delegation made without compliance with the requirements of this paragraph shall be wholly void and ineffective for all purposes.

Governing Law; Jurisdiction. These Terms shall be construed in accordance with, and governed in all respects by, the internal laws of the State of New Jersey (without giving effect to principles of conflicts of laws). Any dispute arising out of or relating to these Terms or any sale of Products by Allison to Buyer shall be brought in the federal or state courts located in the State of New Jersey, the exclusive jurisdiction and venue of which the parties irrevocably consent to for this purpose.

Integration; Invalidation. These Terms and the terms of the Buyer's purchase order accepted by Allison (subject to the provisions of the provision titled **Purchase and Sale of Products** above) set forth the entire agreement and understanding of the parties with respect to transactions contemplated hereby and supersedes any and all prior contracts, agreements and understandings of the parties relating to the subject matter hereof. The invalidity or unenforceability of any provision of these Terms shall not affect the validity or enforceability of any other provision contained herein. The United Nations Convention on the International Sale of Goods shall not apply.