

STANDARD TERMS AND CONDITIONS OF SALE

Bongard Machines U.S.A., LLC, (“BONGARD MACHINES”) agrees to sell to the customer (the “Customer”) the certain equipment referenced on the BONGARD MACHINES quote and invoice (the “Equipment”), subject to these standard terms and conditions of sale.

All sales of Equipment made by BONGARD MACHINES to Customer are subject to the following terms and conditions of sale:

1. ***SALE PRICE.*** The sale price for the Equipment shall be as reflected on the BONGARD MACHINES quote and invoice. If there is a discrepancy between the quote and invoice, the invoice shall control unless otherwise agreed between BONGARD MACHINES and the Customer. All shipping expenses of the Equipment shall be the responsibility of the Customer and are excluded from the sale price unless otherwise indicated on the BONGARD MACHINES quote and invoice.
2. ***TAXES.*** The sale price also does not include any sales, use, excise, property, or similar taxes arising out of or relating to the sale or use of the Equipment. Customer shall indemnify and hold BONGARD MACHINES free and harmless from and against the imposition and payment of such taxes, whether or not they are stated in any invoice for Equipment sold. BONGARD MACHINES, at its option, may at any time separately invoice Customer for any taxes not included in BONGARD MACHINES’ initial invoice, and Customer shall pay said taxes, or in lieu thereof, shall provide BONGARD MACHINES with a tax exemption certificate acceptable to taxing authorities.
3. ***PAYMENT TERMS.*** Unless otherwise stated on the quote, all payments are due within ten (10) days from the date of invoice. Any other payment schedule must be confirmed in writing before the Equipment can be delivered. The receipt and subsequent bank deposit of a down payment shall not be construed as acceptance of the Customer’s purchase order until said purchase order is accepted in writing by BONGARD MACHINES and Customer has agreed in writing to these terms and conditions of sale. Interest in the amount of 1.5% per month will be assessed on all past due invoices. BONGARD MACHINES reserves the right to cancel and to refuse to complete Customer’s purchase order if, in BONGARD MACHINES’ opinion, Customer has not established credit or otherwise satisfied the payment terms of the sale. Customer agrees to pay BONGARD MACHINES’ reasonable attorneys’ fees and court costs for the collection of any unpaid amounts due and owing to BONGARD MACHINES hereunder.
4. ***ORDER ACCEPTANCE.*** If the terms and conditions in Customer's purchase order, or any other of Customer's oral or written communications, are inconsistent with the terms and conditions contained herein, these terms and conditions shall control. Printed material on Customer's forms shall not

constitute a sufficient writing to modify these terms and conditions. No addition to or modification of these terms and conditions shall be binding upon BONGARD MACHINES unless specifically agreed to by a duly authorized BONGARD MACHINES representative in writing. In the event of any conflict between these terms and conditions and those submitted by Customer, these terms and conditions shall prevail.

5. **DELIVERY.** BONGARD MACHINES shall exert its best efforts to cause the Equipment to be shipped and delivered in accordance with the terms and provisions of any such quote issued by BONGARD MACHINES. However, all delivery dates stated by BONGARD MACHINES are approximate dates only, and are estimated in good faith to the best of BONGARD MACHINES' ability, commensurate with foreseeable scheduling. BONGARD MACHINES will not assume any liability for any loss or damage whatsoever, including loss of income and/or profits, incidental, special, or consequential damages resulting from the delayed shipment and delivery of the Equipment for any reason whatsoever. Any claims for shortages or claims that the Equipment delivered is other than that which was ordered or claims for damages prior to delivery to Customer or Customer's agent must be made in writing to BONGARD MACHINES within fifteen (15) days after the arrival of the Equipment at Customer's plant or place of business.
6. **ASSURANCES.** Shipments and deliveries of Equipment are subject to the approval of BONGARD MACHINES, and BONGARD MACHINES may at any time stop work in process, refuse to make shipment, or instruct the common carrier or other third person in possession of the products to hold, store, or return the Equipment to BONGARD MACHINES if Customer fails to make any payment or perform any other obligation owed to BONGARD MACHINES when due. Customer warrants to BONGARD MACHINES that it is solvent, that it is able and intends to pay each of its obligations when due, and that all checks, drafts, and other items tendered to BONGARD MACHINES in payment for the Equipment will be honored in accordance with BONGARD MACHINES' terms. Customer acknowledges that BONGARD MACHINES relies upon Customer's representations of its solvency to induce BONGARD MACHINES to ship Equipment. As such, Customer agrees that BONGARD MACHINES shall have the right to cancel any unfilled order and cancel any future orders without notice to Customer in the event that Customer becomes insolvent, makes an assignment for the benefit of creditors, has a receiver appointed over its assets, is adjudicated bankrupt, petitions for or consents to any relief under any bankruptcy reorganization statute, becomes unable to meet its financial obligations in the normal course of business, stops payment on any check, or tenders a bad check to BONGARD MACHINES for insufficient funds or any other reason.
7. **RISK OF LOSS.** Upon delivery by BONGARD MACHINES to a carrier for shipment of Equipment to Customer, risk of loss shall pass to Customer. Thereafter, the carrier shall be deemed to be acting for and on behalf of

Customer, and the terms of payment for the Equipment shall not be affected by damage to or destruction of the Equipment sold.

8. **CANCELLATIONS.** Orders, which have been shipped from a manufacturer (“Special Orders), are not subject to cancellation. Orders other than Special Orders which have not been shipped may be cancelled in writing by Customer to BONGARD MACHINES but are subject to a cancellation charge equal to twenty-five percent (25%) of the sale price of the Equipment **OR** the total cost incurred to date by BONGARD MACHINES, whichever is greater.
9. **SECURITY INTEREST.** Where the sale price of the Equipment has not been paid in full prior to delivery of the Equipment, Customer hereby grants to BONGARD MACHINES, and BONGARD MACHINES hereby retains, a continuing purchase money security interest in all of the Equipment sold and delivered by BONGARD MACHINES to Customer, whether presently in the possession of Customer or hereafter acquired, together with any and all proceeds of sale or other disposition of the Equipment including, but not limited to, cash, accounts, contract rights, and chattel paper, until all amounts due are paid by Customer. Customer shall join with BONGARD MACHINES in executing one of more financing statements pursuant to the Uniform Commercial Code in force in Customer’s state of business in a form satisfactory to BONGARD MACHINES to evidence BONGARD MACHINES’ security interest in the Equipment. Customer shall keep the Equipment free from any adverse lien, security interest, or encumbrance, and will not store the Equipment or any part thereof or use the Equipment in violation of any statute or ordinance. In the event Customer shall be in default under the contract, BONGARD MACHINES shall have the remedies of a secured party under the Uniform Commercial Code. BONGARD MACHINES may enter Customer’s premises and remove the Equipment, and Customer shall not object to such action. Customer agrees to pay BONGARD MACHINES’ reasonable attorneys’ fees and court costs incurred in the repossession of the Equipment.
10. **OWNERSHIP OF INTELLECTUAL PROPERTY.** All drawings, designs, specifications, manuals, programs, and prices furnished to Customer by BONGARD MACHINES shall remain the confidential and proprietary property of BONGARD MACHINES. All such information, except as may be found in the public domain, shall be held in strict confidence by Customer and shall not be disclosed by Customer to any third parties. Copyright in all material made available by BONGARD MACHINES shall remain in BONGARD MACHINES at all times.
11. **SAFETY PRECAUTIONS.** Customer shall require employees to use all safety devices, guards, and proper safe operating procedures in accordance with sound industry practices or as set forth in any manuals and any instruction sheets furnished by BONGARD MACHINES that relate to the

Equipment. Customer shall not remove or allow to be removed, or modify or allow to be modified, any such device, guard, or sign. It is Customer's responsibility to provide all necessary means to effectively protect all employees from serious bodily injury which otherwise may result from the method of particular use, operation, set-up, or service of the Equipment. If Customer fails to comply with such provisions of this paragraph or the applicable standards or regulations aforementioned, Customer shall indemnify and save BONGARD MACHINES harmless from and against any and all claims, losses, or damages arising therefrom. It is the responsibility of Customer to comply with any and all local codes that may relate to the operation, use and installation of the Equipment.

12. ***DESCRIPTION OF EQUIPMENT.*** All weights, sizes, capabilities and/or measurements given by BONGARD MACHINES relating to the Equipment are estimates, stated as correctly as possible, and any minor deviations therefrom shall not invalidate any sale. Brochures, photographs, and other illustrations representing the Equipment offered are likewise not binding on BONGARD MACHINES.

13. ***LIMITATIONS ON WARRANTY.***

CUSTOMER REPRESENTS AND ACKNOWLEDGES THAT BONGARD MACHINES HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, DIRECT OR INDIRECT, EXPRESS OR IMPLIED, AS TO ANY MANNER WHATSOEVER INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF ANY ITEM OF EQUIPMENT, ITS MERCHANTABILITY OR ITS LIABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF ANY ITEM OF EQUIPMENT, OR THE CONFORMITY OF ANY ITEM OF EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDERS RELATING THERETO, NOR SHALL BONGARD MACHINES BE LIABLE FOR INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT).

CUSTOMER FULLY UNDERSTANDS THAT THE SALE PRICE FOR THE EQUIPMENT REPRESENTS EQUIPMENT THAT IS BEING SOLD "AS IS" AND "WITH ALL FAULTS". CUSTOMER FURTHER REPRESENTS AND ACKNOWLEDGES IT HAS HAD A REASONABLE OPPORTUNITY TO EXAMINE AND INSPECT THE EQUIPMENT PRIOR TO ITS PURCHASE OF THE SAME.

Accordingly, BONGARD MACHINES shall not be liable to Customer, or any other party, for any loss, damage, injury, or expense of any kind or nature caused directly or indirectly by the Equipment or the failure of the Equipment to operate properly, and Customer shall indemnify and save BONGARD MACHINES harmless from any claims arising from the same. BONGARD MACHINES shall be entirely free from liabilities or responsibilities of any problem due to patent infringements, trademark, design registered,

marking or stamp, or otherwise on the Equipment, and Customer shall indemnify and save BONGARD MACHINES harmless from any claims arising from the same. Customer hereby agrees to assume whole responsibility to pay royalty or expenses, if any, for any dispute resulting from such use. BONGARD MACHINES gives no warranty, express or implied, as to the quality, finish, efficiency, accuracy, or tolerance compliance with electrical, hydraulic, pneumatic, or other safety codes required by any governmental or quasi-governmental body, efficiency, productivity, performance merchantability, condition of the merchandise being suitable for any particular use, intended purpose, or otherwise.

14. **FORCE MAJEURE.** BONGARD MACHINES shall not be responsible for nonperformance or late performance of any part of the contract due to orders, regulations, and/or ordinances by government, act of God, terrorism, war, blockade, insurrection, mobilization, or due to any other causes or circumstances beyond BONGARD MACHINES' control. All sales are subject to export and/or import permits that may be required by any applicable governmental authority. Any costs, expenses and fees associated in obtaining such permits shall be the responsibility of Customer.
15. **GOVERNING LAW AND VENUE.** The rights and obligations of the parties under this Agreement shall not be governed by the United Nations Convention on Contracts of the International Sale of Goods. Instead, this Agreement shall be construed in accordance with the laws of the State of Indiana, including the Indiana Uniform Commercial Code. The provisions of this Agreement are divisible and the invalidity or unenforceability of any provision or provisions contained herein shall not in any way affect the validity of this Agreement without the invalid or unenforceable provision or provisions. The parties stipulate and agree that exclusive jurisdiction and venue for any cause of action arising between the parties shall be in the Indiana or federal courts having subject matter jurisdiction, located in Allen County, Indiana.
16. **MERGER CLAUSES.** The entire contract is embodied in this writing. There are no understandings, agreements, representations, or warranties, either oral or written, relative to the products, including statements made in or conduct implied from past dealings, that are not fully expressed herein. No statement subsequent to the acceptance of the purchase order purporting to modify the same terms and conditions shall be binding unless consented to in writing by a duly authorized officer of BONGARD MACHINES in a document making specific reference to this transaction.
17. **CONDITIONS NOT WAIVED.** BONGARD MACHINES' failure to enforce or declare a default or breach with respect to any particular term or condition listed in this Agreement shall not constitute a waiver of BONGARD MACHINES' right to enforce or be protected by any other terms or conditions or, on a subsequent occasion, that particular term or condition.