

## Sales Terms and Conditions

At **Dixline Corporation**, we strive for an open and long-term relationship with each of our customers. To achieve this, Dixline Corporation and the buyer must both know exactly where we stand with regard to our legal relationship, the "terms of business" that underpin our relationship.

1. **GENERAL TERMS.** For your guidance, we (the seller of the products) have set out in this document our basic terms and conditions for the sale of those products and services ("Terms"). If you as the buyer ("you") provide us with any pre-printed terms and conditions that appear on any purchase order or other form document, they will be of no force or effect unless we agree expressly in writing to modify these Terms or to state these Terms will not apply. These Terms are deemed to be a part of all quotations, acknowledgements, invoices, purchase orders and other documents, whether electronic or in writing, relating to the sale of our products or services.

Our acknowledgement and acceptance of your order for our products is expressly limited to and made conditional upon your acceptance of these Terms and any quotation we previously furnished to you. We deem material, object to, and reject any of your terms and conditions additional to or different from these Terms that we have not expressly agreed to in a separate writing (except additional provisions specifying quantity, description of the products ordered and shipping instructions). We will deem you to have waived any objection to these Terms if we have not received written notice of any objection from you within ten days of the date of this Acknowledgement. You will, in any event, be deemed to have agreed to these Terms if you accept any portion of the products or services you order from us. You acknowledge that the prices we charge are predicated on the enforceability of these Terms, that the prices would be substantially higher if these Terms did not apply, and that you accept these Terms in exchange for such lower prices.

2. **LIMITED WARRANTY.** All products that we manufacture are warranted by us to be free from defects in material and workmanship under normal use and service when installed, used and serviced in the manner intended. You acknowledge that you alone have determined that the products will suitably meet the requirements of your intended use. Performance data given by us is provided as a guide for the user in determining suitability and does not constitute a warranty. Actual performance is subject to our Warranty and other limitations set forth in these Terms. **THIS EXPRESS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WE WILL NOT BE RESPONSIBLE FOR ANY CONFORMITY WITH ANY STANDARDS, CODES OR REGULATIONS WHICH APPLY TO THE COMBINATION OF OUR PRODUCTS IN YOUR APPLICATION OR USE OF THE PRODUCT UNLESS YOU SPECIFY THE SAME IN WRITING TO US AND WE AGREE TO SUCH BY A WRITING SIGNED BY A DULY AUTHORIZED REPRESENTATIVE FOR US.**
3. **LIMITATION OF REMEDIES.** If we breach our warranty, your sole and exclusive remedy against us will be limited, at our option, to our repair or replacement of any nonconforming product for which you make a claim, or our issuance to you of a credit for the nonconforming product in accordance with any instructions we have given you for the return of the product or otherwise. We may require a reasonable opportunity to inspect the product and confirm the nonconformity. This exclusive remedy will not be deemed to have failed of its essential purpose so long as we are willing and able to repair or replace the nonconforming product and, in any event, our liability for any damages due you will be limited to the purchase price of the nonconforming products. **THIS PARAGRAPH STATES OUR SOLE AND EXCLUSIVE REMEDY FOR BREACH OF WARRANTY.**
4. **LIMITATIONS ON ACTIONS AND LIABILITY.** The statute of limitations applicable to all your claims arising under these Terms will be one year from the date the claim accrues. **WE WILL NOT BE LIABLE FOR ANY LOSS, DAMAGE OR INJURY RESULTING FROM DELAY IN DELIVERY OF THE PRODUCTS OR FOR ANY FAILURE TO PERFORM DUE TO CIRCUMSTANCES BEYOND OUR CONTROL. OUR MAXIMUM LIABILITY, IF ANY, FOR ALL DAMAGES, INCLUDING WITHOUT LIMITATION CONTRACT DAMAGES AND DAMAGES FOR INJURIES TO PERSONS OR PROPERTY, WHETHER ARISING FROM OUR BREACH OF THIS AGREEMENT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT WITH RESPECT TO THE PRODUCTS IS LIMITED TO AN AMOUNT NOT TO EXCEED THE PRICE OF THE PRODUCTS. IN NO EVENT WILL WE BE LIABLE TO YOU FOR ANY INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUES AND PROFITS, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE RIGHT TO RECOVER DAMAGES WITHIN THE LIMITATIONS SPECIFIED IS YOUR EXCLUSIVE ALTERNATIVE REMEDY IN THE EVENT THAT ANY OTHER REMEDY AVAILABLE UNDER THESE TERMS FAILS OF ITS ESSENTIAL PURPOSE.**
5. **PRICES, TERMS AND SHIPMENT.** You will pay the prices for our products to prices in effect at the time of shipment or performance, unless we otherwise agree in writing. All prices are net 30. No cash discount is allowed unless we otherwise specify that to you in writing, and no set offs or counterclaims are allowed unless we agree in writing. In addition to the prices specified, you agree to pay any applicable taxes or duties assessed by reason of this transaction. Unless we otherwise agree in writing, shipments shall be by a carrier and by the route selected by us; the carrier shall act as your agent and delivery to such carrier shall constitute delivery to you; all shipments under this order will be made F.O.B. shipping point, at which time title to and all risk of loss will pass to you, provided that we shall retain, and you hereby grant to us a security interest in any products we ship to you until the full purchase price is paid by you. You will pay all freight charges and assume the risks of transportation, including delay, damage, and loss, unless we otherwise agree in writing.
6. **DELIVERY SCHEDULES.** The promised delivery date is our best estimate possible of when we will ship the products or render the services. We will not be liable for any loss, damage, incidental, consequential or other damages due to delays.
7. **VARIATIONS IN QUANTITIES.** We may vary from your order deliveries of products scheduled to be made over an extended number of shipments in quantities which will not exceed ten percent, plus or minus, of each product involved (unless otherwise agreed to in writing) and will adjust the billing accordingly.
8. **SHORTAGES.** You must make all shortage claims within 15 days of your receipt of shipment. We will not be responsible for any claim for shortages not reported within that period.
9. **RETURNED GOODS.** You will need our approval, and issuance of a return authorization number, before returning any products to us.

10. **PATENT OR TRADEMARK INFRINGEMENT.** If the products we sell to you are prepared for manufacture according to your specifications, you will defend, hold harmless and indemnify us and our affiliates against any claims, liability, costs or attorneys' fees incurred in relation to any claim for intellectual property infringement.
11. **EXCUSE OF PERFORMANCE.** We will not be liable for any delay in delivery or for non-delivery, in whole or in part, caused by the occurrence of any contingency beyond our control or the control of our suppliers, including but not limited to failure or delay in transportation, acts of any government, judicial action, labor disputes, fire, accident, acts of nature, shortage of labor, fuel, raw material or machinery or technical failure. If any contingency occurs, we may allocate production and deliveries among our customers.
12. **CONFIDENTIALITY.** If your personnel visit our facility or you otherwise receive any proprietary or confidential information from us, such information will be retained as confidential by you and not be used or disclosed to any third party without our written consent.
13. **CREDIT APPROVAL.** You will furnish to us all financial information reasonably requested by us from time to time for the purpose of establishing or continuing your credit limit. Shipment and delivery of products and performance of services will at all times be subject to the approval of our credit department and we may at any time decline to make any shipment or delivery or perform any services except upon receipt of payment or upon terms and conditions or security satisfactory to us. You agree that we may file a uniform commercial code financing statement with respect to the products we sell to you in order to protect our interest in such products until you make payment in full.
14. **CANCELLATION.** You can only cancel orders with our written approval. If you cancel an order, in whole or part, that incorporates special material, parts, components, etc., you will pay: (a) the agreed price of all completed items; (b) that portion of the agreed price that is equal to the degree of completion of products in process, effective on the date notice of cancellation is received; (c) the cost of any materials and supplies we have purchased to perform and cannot be readily resold or used for other or similar purposes; and (d) charges for cancellation of tool orders or tool removal charges.
15. **DEFAULT.** You may terminate our performance for our default, wholly or in part, only if before we receive a notice of termination, we have received notice in writing specifying such default, and such default is not excusable under any provision hereof, and we have not remedied such default within thirty (30) days after we received such notice of default. If we deliver nonconforming products or services to you, you will have the rights set forth in paragraph 3 of these Terms, but such delivery will not be deemed a default for purposes of termination. If you are entitled to terminate for default, you will be relieved of the obligation to pay for work we did not performed before the effective date of such termination. Our default will not subject us to liability, through payment by us, set off or otherwise, for any other damages, whether direct, consequential or incidental, and whether sought under theories of contract or tort.
16. **ASSIGNMENT.** You cannot assign any order or any claim against us arising directly or indirectly out of or in connection with an order without our prior written consent.
17. **PATENTS, INVENTIONS, TECHNICAL DATA.** You do not and will not acquire ownership or any rights in our intellectual property under any order, regardless of when such intellectual property has been issued, conceived, generated or produced. We reserve all of our intellectual property and you will not reproduce or use it for any purpose whatsoever without our prior written permission.
18. **NONCONFORMING FURNISHED PARTS AND/OR MATERIALS.** We will notify you if we find that any parts and/or materials you furnished for incorporation into our products are nonconforming or have been damaged or are for any other reason unsuitable for further processing. Our responsibility for loss, damage, destruction or deterioration of such parts and/or materials will cease, and all risk of loss, damage or destruction or deterioration will pass to you. We will be entitled to charge you for storage of such parts and/or materials if they have not been removed from our premises within fifteen (15) days after we have so notified you.
19. **INDEMNIFICATION.** Technical assistance and information, if any, we furnish to you in connection with the sale of our products are furnished for your accommodation. You assume all liability for the proper application of such information, using your own technical expertise and know-how. You shall indemnify and hold us and our affiliates harmless from and against all liabilities, losses, claims, costs and expenses (including reasonable attorneys' fees) related to any claim, investigation, litigation or proceeding (whether or not we are a party) which arises or is alleged to arise from your acts or omissions under these Terms or in any way with respect to our products or services.
20. **REMEDIES.** Our rights and remedies will be cumulative and additional to all other remedies provided by law or equity. We will be entitled to recover costs and attorneys' fees in the enforcement or defense of any rights under these Terms.
21. **PROGRAMS.** All allowances, rebates, incentives, or other amounts we offer you from time to time (collectively "Programs") are earned and payable only if your accounts (including those of your subsidiaries and affiliates) are current with all Dixline Corporation subsidiaries and affiliates. Any earned payment may be withheld or be used to satisfy any of the accounts or other obligations to a Dixline subsidiary or affiliate.
22. **PAST-DUE ACCOUNTS.** We will be entitled to collect from you interest on all past-due accounts at the maximum rate of interest allowed by law.
23. **GOVERNING LAW AND FORUM.** Unless otherwise agreed to, all orders will be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of Illinois without regard to any conflict of laws provisions that might otherwise apply. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to these Terms. You agree to exercise any right or remedy in connection with these Terms exclusively in, and you agree to submit to the jurisdiction of the appropriate state or federal court of the State of Illinois.
24. **ENTIRE AGREEMENT.** These Terms, and the Vendor Contract to which it is attached, contain our entire agreement relating to the transaction covered by these Terms. These Terms may not be waived, changed, modified, extended or discharged orally but only by agreement in writing and signed by the authorized representative of the party against whom enforcement of any such waiver, change, modification, extension or discharge is sought.