

ILLINOIS BLOWER, INC. STANDARD TERMS AND CONDITIONS

ACCEPTANCE: Prices quoted for products manufactured by Illinois Blower, Inc. are subject to acceptance by the purchaser not later than thirty days from the date of quotation. Prices quoted for items not manufactured or processed by Illinois Blower, Inc., but carried for the convenience of the purchaser, are subject to change at any time the cost of such item to Illinois Blower, Inc. is changed.

All orders and agreements must be in writing and are not valid unless acknowledged in writing by Illinois Blower, Inc.

TERMS: Terms are normally Net 30 days unless shown differently on the face of the proposal, but at all times subject to approval of Illinois Blower, Inc.'s Credit Department.

Except as provided under "Acceptance" above, the prices on approved orders for products manufactured by this Corporation are firm prices provided the products are shipped within 12 months from the date of purchase. When shipments are made after a period of 12 months from the date of purchase, the prices are subject to adjustment to the Corporation's prices in effect at the time of shipment.

Unless otherwise stated, quoted prices are F.O.B. Cary, IL, and do not include any tests unless specified or the cost of sales, use, occupation, excise or other applicable tax.

Unapproved orders received from a customer and entered by Illinois Blower, Inc. on which approval and release for production and shipment has not been received within 30 days of Illinois Blower's approval drawing submittal, shall be subject to prices in effect on the date such customer approval and release is received by Illinois Blower, Inc.

"Blanket" orders must specify quantities, firm release date for shipment within 12 months of date of purchase order, and be non-cancelable to receive firm price protection.

Orders released for production covering non-stock equipment and scheduled by Illinois Blower, Inc. cannot be rescheduled by the customer unless it is done at least 8 weeks before the Illinois Blower, Inc. scheduled shipping date. If production is started customer must accept delivery within this 8-week lead-time.

Any percentage increase or decrease in the cost to the Corporation on items not manufactured or processed by Illinois Blower, Inc., but carried for the convenience of the purchaser, will result in a corresponding change in the invoice to the purchaser on these items, during any period of time after date of purchase.

CLAIMS: The responsibility of Illinois Blower, Inc. ceases upon delivery of goods in good order to the carrier. Claims for factory shortages will not be considered unless made in writing to Illinois Blower, Inc. within ten days after receipt of the goods and accompanied by reference to our bill of lading and factory order numbers. As all goods are shipped at customer's risk, any claims for damage or shortage in transit must be filed by the customer against the transportation company.

CANCELLATIONS: Accepted orders are not subject to cancellation without prior written approval by Illinois Blower, Inc.

DELAYS: Illinois Blower, Inc. shall not be liable for any delays caused by riots, strikes, weather, fires, floods, and lack of transportation, accidents, or any other contingency beyond its control.

RETURNED GOODS: Goods may not be returned except by permission of authorized officials of Illinois Blower, Inc. in Cary, IL, and when so returned will be subject to a handling charge and transportation costs.

WARRANTY: Illinois Blower, Inc. warrants products of its manufacture to be free of defects in material and workmanship if properly installed, cared for, and operated under normal conditions, and with competent supervision. This warranty is subject to the following terms and limitations:

- 1) Illinois Blower, Inc.'s obligation under this warranty is limited to replacing or repairing at its option and at its factory, any such defective part or parts which shall within one year after shipment thereof to the original purchaser, be returned to its factory with transportation charges prepaid, and upon such repair or replacement Illinois Blower, Inc. shall have fulfilled all of its obligations to the purchaser. Illinois Blower, Inc. assumes no liability for costs or expenses in connection with the removal or replacement of such equipment, products or parts, or for incidental or consequential damages.
- 2) Illinois Blower, Inc. shall not be liable for any such defective part or parts, or for any loss, damage, or any expense of repairs, when any adjustment, alteration or repair shall have been made or attempted outside of its factory, except by its written authorization.
- 3) No liability attaches for any corrosion or fouling caused by any foreign substance deposited therein or thereon.
- 4) Inasmuch as no forms of construction, materials, alloys or coatings are known to us, which will successfully resist all abrasion, erosion, corrosion, or deterioration from excessive heat, Illinois Blower, Inc.'s Guarantee does not extend to the life on any of its products or equipment when subjected to such exposure or unusual atmospheric conditions.
- 5) Illinois Blower, Inc. makes no warranty regarding merchantability, suitability of equipment to meet users needs, or compliance with any safety standards. It is the customer/user's sole responsibility to determine suitability of the equipment to meet their needs. Likewise, it is the customer/user's responsibility to provide appropriate safety guards, equipment and personnel warnings as they apply to Illinois Blower's products when installed in their system. The foregoing obligation to repair or replace such products or parts shall be the sole and exclusive remedy of the purchaser, its customers, or users of the products or parts for the breach of the warranty specified herein. Illinois Blower, Inc. shall have no obligations to repair or replace such products or parts unless it receives it at its facility in Cary, Illinois with written notice of such defect claim within the noted warranty period.
- 6) Illinois Blower, Inc. makes no warranty whatsoever to motors, switches, controls, accessories or other vendor items. These items are warranted separately by their respective manufacturers.

LIABILITY: Except as specified in the foregoing section entitled "WARRANTY" the company shall have no obligation or liability whatsoever to the purchaser, including without limitations any claims for consequential damages or labor costs, by reason of any breach of the express warranty described therein. The purchaser further hereby agrees to indemnify and hold the company harmless from and against all losses, damages, obligations, liabilities, suits and causes of action (other than the cost of replacing or repairing the defective product as specified in the foregoing paragraph "WARRANTY") arising directly or indirectly from the acts, omission, or negligence -of the purchaser in connection with or arising out of the testing, use, operation, replacement or repair of any product described in this quotation and sold or furnished by the company to the purchaser.

IN CONCLUSION: Illinois Blower, Inc.'s failure to object to provisions contained in the customer's purchase orders or other communication shall not be deemed a waiver of the terms and conditions hereof nor acceptance of such provisions. No representations or guarantees other than those contained herein shall be binding upon Illinois Blower, Inc. unless made in writing and signed by an authorized official of Illinois Blower, Inc.