



LPI INTERNATIONAL
Terms and Conditions of Sale

LPI, INC.
4404 Anderson Drive
Eau Claire, WI 54703 USA
Phone 800 657-6956
Fax (715) 839-8647
www.lpi-inc.com

- 1. ACCEPTANCE OF ORDER:** It is acknowledged that no order shall be deemed accepted unless and until it is verified and accepted by LPI, Inc. ("Seller") in its continental United States facility in Eau Claire, Wisconsin, USA ("Seller's Plant"). The Buyer shall be as named on any (i) quote, (ii) invoice, (iii) order acceptance, (iv) other correspondence, or (v) other purchase documents. ("Buyer") consents that submission of its order shall subject Buyer to the jurisdiction of the courts of the United States and the venue of the state of Seller's Plant. An agreement between us is a legally binding contract. Neither of us may cancel any agreement between us unless we both do so in writing.
- 2. EXCLUSIVITY OF TERMS:** These terms and conditions, together with any International Terms and Conditions contained on our website www.lpi-inc.com, constitute the entire agreement of Seller and the Buyer, and supersede all previous correspondence between Buyer and Seller, both written and oral, including any purchase orders that may have been submitted by the Buyer. THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL NOT BE GOVERNED BY THE PROVISIONS OF THE 1980 U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS. Any term specified in our invoice or order acknowledgment supersedes any term in these International Terms and Conditions. Requests for change orders telephoned, mailed, emailed or faxed to Seller shall be considered written and approved by Buyer if Seller agrees to such change and commences engineering or production changes. These changes shall be binding even if Seller has not yet quoted an amount for the change. If quoted, the quoted amount shall be deemed accepted by Buyer. If not yet quoted, Seller shall be entitled to an equitable adjustment to price and delivery terms, not less than its standard shop rates and burden rates applicable to the Buyer in the base agreement.
- 3. RIGHT OF WITHDRAWAL:** The Seller shall have the right to withdraw any offer or rescind any sale if it is determined to be in violation of any U.S. trade laws or regulations.
- 4. PURCHASE PRICE:** All prices and payments are in U.S. dollars. Unless ICC Incoterms 2010 specifies differently in a particular situation the purchase price is exclusive of any (i) sales, use, or other taxes, (ii) customs charges or tariffs, (iii) insurance costs, (iv) crating, shipping, storage and demurrage charges, (v) expedited manufacturing charges, (vi) surcharges for raw materials, (vii) engineering and design charges, (viii) change orders, and (ix) bank fees and charges. Taxes may be added to the purchase price unless a valid U.S exemption certificate is provided by the Buyer. In the event that Buyer has a credit balance with Seller, Buyer has one (1) year from time of issuance to use the credit balance. IF NOT APPLIED OR REQUESTED WITHIN ONE (1) YEAR, ANY REMAINING BALANCE SHALL BE SUBJECT TO CANCELLATION AND SELLER SHALL HAVE NO FURTHER LIABILITY TO BUYER.
- 5. TERMS OF PAYMENT:** In the absence of pre-agreed credit terms or financing, all payments must be in cash or via irrevocable (i) Letter of Credit confirmed by the US Bank, Minneapolis, MN USA, or (ii) Letter of Credit issued by a foreign bank and advised by a U.S.A. Bank. Terms of payment will be determined by seller. The cost of all letters of credit shall be in addition to the Purchase Price and paid by Buyer.
- 6. IMPORTATION AND PERMITS:** Buyer represents that it is purchasing the equipment for purposes of exporting from the U.S.A. and importing the equipment into the country specified in the purchase order or shipping documents. Buyer agrees that the equipment will be shipped to the destination specified in compliance with all laws of such country and there shall be no re-export or diversion of the equipment.
- 7. FOREIGN CORRUPT PRACTICES ACT:** Buyer acknowledges that it is not an agent of Seller and warrants that it will not pay anything of value (monetary or otherwise) to any government employee or official in connection with the resale of the equipment.
- 8. DELIVERY:** Any term of delivery specified is tied to the date Seller issues its Order Acknowledgement, and is only an estimate. Seller does not guarantee the delivery date, but will make a good faith effort to do so. Seller may make partial shipments and submit a separate invoice for each shipment. All shipments will be subject to the ICC Incoterms 2010 freight terms set forth on the Seller's invoice. Absent specific terms, the methods and route of shipment shall be at Seller's discretion. If the Incoterms specified, or if Buyer shall specify the method or route of shipment, any additional cost shall be the responsibility of Buyer. Delivery for shipment to Buyer of designs, shop drawings, equipment or materials to a carrier or vessel in accordance with the specified Incoterms shall constitute delivery by Seller to Buyer. Seller shall not be liable for any failure to design, manufacture or deliver, or for any delay in the design, manufacture or delivery of, any order sold or to be sold by it if such a failure or delay or inability to obtain transportation, inability to obtain materials, shortage of fuel, failure of sources of suppliers, labor disputes, accident, riot, war, terrorist act, embargo, restraint or demand of the United States or of any other government, non-fulfillment by Buyer of conditions of payment, natural disaster, or any other cause beyond the control of Seller. If at any time Seller shall be prevented by any of the above causes from supplying all or any part of Buyer's order and to its other customers under contract, Seller shall have the right to prorate the quantity then deliverable to Buyer and to its other customers.
- 9. ACCEPTANCE OF GOODS:** Buyer shall be deemed to have accepted an order at the time the order leaves Seller's sole control, but in no event within 30 days following date shipment is commenced unless it has previously notified Seller of any claim. All claims for damage in transit shall be submitted directly to the carrier and noted on the shipping documents prior to acceptance of the goods by the receiving party. Buyer shall be deemed liable for any freight damage if the goods are accepted without notation of damage on the shipping documents.



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10. SECURITY INTEREST: Notwithstanding the foregoing, title to the goods shall remain with Seller until payment in full is received from Buyer for the shipment and all other amounts owed by the Buyer. To the extent that legal title is deemed to have passed to the Buyer at the time of shipment, equitable title shall remain with Seller until Seller receives full payment of the purchase price. Seller retains a purchase money security interest in all unpaid goods and these goods shall remain personal property until the unpaid purchase price, and any costs, are paid in full. By signing any quote, purchase order, request for purchase (RFP), order confirmation or contract, Buyer shall be deemed to have provided an authenticated signature under the Uniform Commercial Code (UCC) and these terms shall be deemed incorporated by reference into all such writings. Buyer shall allow Seller to file any financing statement evidencing this security interest and these terms shall be deemed by the parties to constitute a security agreement under the UCC. Until paid in full, Buyer shall not encumber, allow any lien to attach or convey the goods. Buyer shall be responsible for maintaining insurance on all unpaid goods for the invoice amount. Seller may reclaim any goods in transit if Seller becomes aware that Buyer shall not pay the purchase price in full upon completion of shipment.

11. INSTALLATION: This Agreement is limited solely to the sale of the order described on the front side, and Seller has no obligation to install the order. Buyer assumes all liability for installation of the order and shall be responsible for ensuring that the installation complies with applicable laws and regulations. Seller manufactures its product to comply with stated U.S.A. industrial and safety standards and regulations. Because other national and local industrial and safety standards may vary significantly, Seller cannot guarantee that its products meet the laws or requirements of Buyer's locality. Buyer assumes the responsibility for compliance with the industrial and safety standards and regulations in the actual place of sale or use. The Buyer indemnifies, holds harmless, and agrees to defend Seller from any and all claims, damages, liabilities and expenses resulting from negligent installation of the order, installation that does not comply with such laws and regulations, or violation of any such law or regulation.

12. LIMITED WARRANTY: The Seller warrants to the original end-user Buyer that the unaltered equipment manufactured by, and purchased from, the Seller, if properly installed, operated, maintained and inspected in accordance with the Seller's instructions and Service Manual, and used under normal operating parameters specified to Seller by Buyer at the time of manufacture, shall be free from defects in workmanship and materials for a period(s) of time indicated in the Limited Warranty, from the date the order is shipped from the facilities of the Seller. The obligation of the Seller, and the Buyer's SOLE AND EXCLUSIVE REMEDY, shall be limited to one of the following, at the Seller's option: (a) the repair or replacement of defective parts or components (collectively, Parts) of the equipment; provided, however, the Buyer shall be responsible for the payment of all labor costs associated with any repair or replacement of Parts; or (b) in the event the Seller is unable to repair or replace the Parts, the Buyer shall be entitled to a refund of the cost of the Equipment. **12 MONTHS PARTS ONLY:** All parts and components not listed below. **90 DAYS PARTS ONLY:** Air motors, motor couplings, wheels and casters, roller trolley wheels, hose reels, flex tracks, wipers and seals, protective boots, bellows and curtains, hoses, tubing and fittings, lower rail guides and scrapers, contact bumpers and signaling devices, control and power wiring assemblies, solenoids, switches, gauges, batteries (prorated by battery manufacturer). **EXCLUSIONS TO LIMITED WARRANTY:** 1. Fuses, lubricants, decals, exhaust mufflers, filters, and adjustments. 2. Buyer's failure to follow Seller's instructions and Service Manual. 3. Ordinary wear and tear of the Equipment. 4. Failure to install or maintain the equipment in compliance with any national, federal, state, or local requirements. 5. Any modifications or alterations to the equipment not authorized in writing by the Seller. 6. Operating the equipment outside its design specifications. 7. Equipment designed by Buyer. The Seller makes no warranty of any kind whatsoever with respect to Parts that are manufactured or supplied by other persons or organizations. Seller shall forward any original equipment manufacturer (OEM) claims to the manufacturer. The Seller reserves the right to make changes and improvements in the design and construction of the Equipment without obligation to make corresponding changes and improvements in previously manufactured Equipment. Seller's service, installation and instruction manuals are written in English and Seller shall not be responsible for translation of the manuals into another language. In the event the Buyer believes the Seller may be responsible for the performance of any warranty obligation, the Buyer must immediately send written notice of the claimed defect, and must immediately refrain from any further use of the equipment. No attempted repair of the claimed defect may be made without the prior written consent of the Seller. Before any parts may be returned to the Seller, the Buyer must contact the Seller and request a Return Authorization. Upon the Buyer's receipt of the Return Authorization form, the parts may be shipped, freight prepaid, to the facility designated on the Return Authorization. All parts returned for repair, replacement, or refund (which refund may be made in the form of a credit to the Buyer's account), must be accompanied by the Return Authorization. All other returned parts are subject to a twenty percent (20%) handling charge plus transportation costs. Parts manufactured or supplied by an OEM are subject to the warranties, if any, provided by such OEM; and repair or replacement of such parts, are subject to the approval of the OEM. The Buyer shall be responsible for the payment of any handling or restocking charges associated with OEM parts.

13. DISCLAIMERS OF WARRANTIES: THE WARRANTIES CONTAINED HEREIN ARE EXPRESSLY IN LIEU OF ANY OTHER EXPRESSED OR IMPLIED WARRANTIES, OR ANY OTHER OBLIGATION ON THE PART OF THE SELLER, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Any models, drawings, plans, specifications, affirmations of fact, promises or other communication by the Seller with reference to the order or the performance of the order are solely for the convenience of the Buyer and shall not in any way modify the expressed warranties and disclaimers set forth. No agents or other parties are authorized to make any warranties on behalf of the Company or to assume for the Company any other liability or obligation in connection with the order.

14. CONSEQUENTIAL DAMAGES: The Seller shall not be liable for any incidental or consequential damages arising from the order, the breach of any warranties, the failure to deliver, delay in delivery, delay on nonconforming condition, or for any other breach of contract or duty between Seller and Buyer. In no event shall the Seller's total liability for any or all breaches of any warranty, exceed the actual purchase price paid by the Buyer for the equipment.



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15. LIMITATIONS OF ACTIONS: Any action against the Seller must be commenced within one (1) year after the cause of action accrues.

16. CANCELLATION, SUSPENSION OR DELAY: This Agreement cannot be canceled, suspended or delayed by Buyer without Seller's prior written consent. If Seller agrees to a cancellation, suspension or delay of Seller's work, Buyer shall pay Seller all costs incurred by Seller up to the date of such cancellation, suspension or delay, plus Seller's overhead and reasonable profit. Additionally, all costs related to and risks incidental to storage, disposition and resumption of work shall be borne solely by Buyer

17. BACKCHARGES: Seller will not approve or accept returns or backcharges for labor, materials, or other costs incurred in modification, adjustment, service or repair of an order unless previously approved by Seller in writing.

18. CHANGES IN DESIGN: Seller reserves the right to modify the design and construction of the order to incorporate improvements or to substitute material equal or superior to that originally specified.

19. TRADEMARKS, COPYRIGHTS AND INTELLECTUAL PROPERTY: Buyer acknowledges that it has no right, title, or interest in the trademarks, copyrights, or intellectual property of Seller and covenants that it will take no action to register or otherwise interfere with such rights of Seller.

20. MISCELLANEOUS: All terms used herein, which are defined or given meaning in the Uniform Commercial Code, as adopted in the State of Wisconsin, and this Agreement, shall be governed by the laws of Wisconsin, U.S.A. and not the U.N. Convention on Contract for the International Sale of Goods.

21. DISPUTE RESOLUTION: Any action by Seller for nonpayment of the purchase price or for any other default or claim under these Terms and Conditions or the underlying transaction(s) between the parties, may be brought by either party only by arbitration in Eau Claire, Wisconsin U.S.A. under the Rules of the Arbitration Association (to the extent the Rules do not regulate a matter the UNCITRAL arbitration rules shall be incorporated by reference, but only with respect to the matter not addressed in the Wisconsin Rules) by one (1) arbitrator appointed in accordance with the Wisconsin Rules. In any arbitration the arbitrator shall apply these Terms and Conditions and the laws of the State of Wisconsin as the terms governing the transaction and the conduct of the parties.