

DEFINITIONS

In these terms and conditions of sale ("**Terms and Conditions**"): (a) "**Zollern**" means Zollern North America LP (b) "**Taxes**" means any royalty, tax, duty, excise, levy, fee, rate or charge imposed by any governmental or semi-governmental or other body authorized by law which is imposed on or in respect of or in relation to the provision, sale or supply of the Goods by Zollern. (c) the "**Purchaser**" means any persons, companies or entities who:

(i) is the other party to a contract for manufacture, sale or supply of goods; (ii) is named in or receives a quotation or sales invoice for the manufacture or sale of goods by Zollern; (iii) purchases goods from Zollern; or (iv) requests Zollern to provide designs or specifications or manufacturing proposals for the manufacture of a product.

GENERAL

(a) These Terms and Conditions apply in respect of all offers to sell, quotations made, contracts secured and other commercial transactions for the supply of goods and services ("**Goods**") by Zollern. (b) These Terms and Conditions shall coexist with and be read in conjunction with any other conditions of sale ("**Special Conditions**") agreed to in a writing that is fully executed by both Zollern and the Purchaser. The Special Conditions will prevail to the extent of any inconsistency with these Terms and Conditions. Subject to any Special Conditions, these Terms and Conditions together with a designated written quotation from Zollern shall comprise in entirety the terms and conditions of the contract ("**Contract**") entered into between Zollern and the Purchaser and all other terms, conditions, warranties, undertakings, inducements and representations, whether express or implied, statutory or otherwise, relating in any way to any Goods, are excluded or limited to the maximum extent permitted by law. (c) Except as otherwise expressly agreed upon in writing between the parties, these Terms and Conditions and any Special Conditions shall apply notwithstanding any provisions to the contrary which may appear on the order form or other documents issued by the Purchaser. (d) The Purchaser acknowledges and agrees to these Terms and Conditions upon making a product inquiry and upon placement of an order for supply and upon acceptance of the credit granted for payment purposes and upon acceptance of the Goods supplied and also upon receipt of the invoice. Each stage is a specific separate acceptance by the Purchaser of these Terms and Conditions.

ALTERATIONS AND OTHER AGREEMENTS

(a) Zollern reserves the right to formally change the Terms and Conditions from time to time. Such change shall be by way of provision of at least 30 days prior written notice to the Purchaser. (b) The Purchaser acknowledges and agrees that no verbal agreement between it and any employee, representative or agent of Zollern will be binding on Zollern.

QUOTATIONS/ORDERS

(a) All quotations or submissions made or provided by Zollern, whether in response to an invitation to tender or otherwise, are deemed to be invitations to bargain and shall not constitute a contractual offer. (b) Unless previously withdrawn, a quotation is valid for thirty (30) days or such other period as is stated therein and is subject to withdrawal or change at any time until the Purchaser's order has been received and accepted by Zollern. The Purchaser's acceptance of a quotation made or provided by Zollern is deemed to be an offer and only gives rise to contractual obligations when Zollern subsequently confirms in writing acceptance of the offer. (c) Zollern shall not be bound by any conditions attaching to the Purchaser's order or acceptance of the quotation, unless Zollern, in writing, accepts such

EQUIPMENT

All tools, dyes, and associated equipment which Zollern utilizes to produce the Goods, shall, unless otherwise expressly agreed by Zollern, be and remain the property of Zollern and any payment made with respect to them shall be deemed to be charged in respect of their use.

TERMS OF PAYMENT AND PRICES

(a) Terms of payment are as set forth in the quotation for the Goods provided by Zollern to Purchaser, and the Purchaser will have no right of set off in respect of any claim against Zollern. (b) Any price list published by Zollern may be changed or altered by Zollern at any time without notice to the Purchaser and thereafter Zollern shall not be bound by the price list so altered. A price list published by Zollern does not amount to an offer to sell the Goods therein mentioned. (c) If the Purchaser fails to pay any amount owing to Zollern by the due date, Zollern reserves the right to apply interest on that amount, from the date the amount should have been paid until the date the amount is paid, at the lesser of the rate of 1.5% per month (18% per annum) or the maximum rate permitted by law. Interest accrues daily, may be capitalized and is payable on demand. (d) Upon request by Zollern, the Purchaser must make all payments owed to Zollern by means of direct debit into a bank account nominated by Zollern and must: (i) nominate in writing to Zollern a bank account from which Zollern will direct debit the payments; and (ii) sign all necessary forms and consents permitting the direct debit of funds from the bank account in the manner and on the dates specified by Zollern. (e) All prices are those current at the date of offer and as stated in the quotation, subject only to any variation clauses contained therein and to paragraph (b) of this Terms of Payment and Prices section. (f) Zollern reserves the right to increase prices to take account of any cost escalation between the time of order and delivery of the Goods.

TAXES

All prices and amounts payable, or the value of other consideration provided in respect of Goods supplied in accordance with these Terms and Conditions are exclusive of any Taxes. The Purchaser will be responsible for and will bear the cost of all Taxes incurred in connection with the sale of Goods, including, without limitation, any applicable federal, state and local taxes.

DIMENSIONS AND SPECIFICATIONS

Unless otherwise stated all specifications, drawings and particulars of weights, dimensions and performance characteristics submitted are approximate only. Descriptions and illustrations contained in catalogues, price lists and other written material are intended merely to present a general idea of the Goods described therein and none of these shall form part of the contract.

DELIVERIES

(a) Any delivery dates and/or times quoted are given in good faith but unless otherwise stated Zollern will not be held responsible for any delay arising from causes beyond its reasonable control. The Purchaser's receipt of Goods shall constitute a waiver of any claim for delay. (b) Unless otherwise specified and agreed upon by Zollern, all Goods will be sold FOB Zollern's Ponchatoula, LA facility. Title to the Goods and risk of loss will transfer to the Purchaser immediately upon delivery. (c) All prices for Goods are quoted on an FOB Zollern's Ponchatoula, LA facility basis unless otherwise agreed in writing by Zollern.

OTHER SUPPLIERS

It is contemplated by both Zollern and the Purchaser that to satisfy a contract in whole or part, Zollern may manufacture the Goods or may purchase the Goods outright or may order their manufacture or may purchase the rights to manufacture the Goods from a third party.

WARRANTIES

(a) Zollern warrants and represents to the Purchaser that: (i) the Goods shall be free from defects in materials and workmanship for a period of one (1) year from the date of delivery of the Goods, and (ii) be manufactured in accordance with good manufacturing practice acceptable in the industry. (b) Notwithstanding any other provision in these Terms and Conditions, upon breach of any warranty set forth in these Terms and Conditions, Zollern's sole obligation and the Purchaser's sole remedy shall be limited to Zollern, in its sole discretion, repairing and replacing the defective Goods or refunding the purchase price for such Goods. (c) Notwithstanding any other provision in these Terms and Conditions, the warranties in this Warranties section and remedies do not apply to Goods: (i) not installed, operated, or maintained according to Zollern's recommended procedures; (ii) used for purposes for which they are not designed or intended; (iii) that have been subject to misuse, abuse, neglect, or accident; (iv) that have been repaired or altered without Zollern's prior written consent; (v) that have been used in violation of any written instructions provided by Zollern to the Purchaser; (vi) that have been subjected to improper temperature, humidity, or other environmental conditions, including, without limitation, natural disasters or other events beyond Zollern's control; and (vii) that have been affected by normal wear and tear. (d) The warranties in this Warranties section only apply if the Purchaser provides Zollern with written notice of any defect or nonconformance in the Goods immediately upon Purchaser's discovery of the defect or nonconformance. (e) THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY STATED IN THIS WARRANTIES SECTION, ZOLLERN MAKES NO WARRANTIES OR REPRESENTATIONS RELATED TO THE GOODS, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND THAT THE WARRANTIES IN THIS WARRANTIES SECTION ARE IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WITH RESPECT TO THE GOODS, ALL OF WHICH ARE EXPRESSLY DISCLAIMED.

ACCEPTANCE, CLAIMS, RETURNS AND SURCHARGES

(a) The Purchaser shall be deemed to have accepted the Goods to be of the description, quality and quantity ordered unless particulars of any claim are notified to Zollern in writing within 7 days after delivery of the Goods, except claims for non-delivery which must be made in writing within 14 days from the date of invoice. (b) Zollern will not accept return of Goods unless such return is authorized by Zollern and the Goods have appropriate documentation stating reasons for the claim referring to the Official Invoice Number and date. A re-stocking fee equal to 15% of total price of the Goods may be charged to the Purchaser where applicable. (c) Non-standard products or Products specially purchased, manufactured, machined or cut to size or to the Purchaser's specifications, are not returnable (d) Where the Purchaser returns Goods of its own volition, Zollern will not accept freight charges unless authorized by Zollern.

LIMITATION OF LIABILITY

(a) NOTWITHSTANDING ANYTHING IN THESE TERMS AND CONDITIONS TO THE CONTRARY, EXCEPT AS SET FORTH IN SECTION (b) OF THE WARRANTIES SECTION OF THESE TERMS AND

CONDITIONS, ZOLLERN'S SOLE LIABILITY ON ANY CLAIM, WHETHER IN TORT, CONTRACT, WARRANTY, OR OTHER LEGAL OR EQUITABLE THEORY, ARISING OUT OF OR RELATED TO ZOLLERN'S BREACH OF THESE TERMS AND CONDITIONS OR THE SALE OR THE USE OF THE GOODS, SHALL BE LIMITED TO REIMBURSEMENT OF PURCHASER'S ACTUAL COST OF THE GOODS GIVING RISE TO THE CLAIM.

FURTHER, IN NO EVENT, EXCEPT AS SET FORTH IN SECTION (b) OF THE WARRANTIES SECTION OF THESE TERMS AND CONDITIONS, WILL ZOLLERN BE LIABLE FOR INDEMNIFICATION OF THE PURCHASER OR ANY THIRD PARTY ON ACCOUNT OF ANY CLAIM ASSERTED AGAINST ZOLLERN OR ANY THIRD PARTY OR FOR ANY OTHER DAMAGES WHATSOEVER, WHETHER DIRECT OR INDIRECT, ARISING OUT OF OR RELATED TO ZOLLERN'S BREACH OF THESE TERMS AND CONDITIONS OR THE SALE OR THE USE OF THE GOODS. (b) NOTWITHSTANDING ANYTHING IN THESE TERMS AND CONDITIONS TO THE CONTRARY, IN NO EVENT WILL ZOLLERN BE LIABLE TO THE PURCHASER OR ANY OTHER PERSON FOR ANY EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOSSES, OR THE LIKE (INCLUDING, WITHOUT LIMITATION, LOSS OF USE OF THE GOODS, LOSS OF PROFITS, OR LOSS OF GOODWILL), EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF ZOLLERN AND THE PURCHASER, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ZOLLERN HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. (c) LIMITATIONS OF LIABILITY REFLECT THE ALLOCATION OF RISK BETWEEN THE PARTIES. THE LIMITATIONS SPECIFIED IN THIS LIMITATION OF LIABILITY SECTION WILL SURVIVE AND APPLY EVEN IF ANY LIMITED REMEDY SPECIFIED IN THIS AGREEMENT IS FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE.

EXPORTS

The Purchaser shall comply with all export laws, restrictions, national security controls, and regulations of the United States and all other applicable international or foreign governments, agencies and authorities.

SECURITY INTEREST; RIGHT OF REMOVAL

(a) The Purchaser hereby grants Zollern, and Zollern hereby retains, a purchase money security interest and lien on any and all of the Purchaser's rights, title, and interest in the Goods, wherever located, and all replacements or proceeds of the Goods, until the invoice for the applicable Goods is paid in full, including any late charge and costs of collection. The Purchaser consents to the filing of any financing statements to perfect the security interest granted herein. (b) If the Purchaser defaults in payment, Zollern may enter the Purchaser's premises and retake possession of and permanently retain any Goods for which full payment has not been received by Zollern and revoke all liability of the Purchaser on the contract of sale and delivery of such Goods. Zollern shall have the right to retain any down payments made by Purchaser for such repossessed Goods. (c) In the event of resale of the Goods, including any mixed Goods, by the Purchaser to a third party, the Purchaser shall account to Zollern for any money received. (d) The Purchaser irrevocably grants to Zollern its agents and employees an unrestricted right and license, without notice, to enter premises occupied by the Purchaser, to identify and remove any Goods which are the property of Zollern. Without in any way being liable to the Purchaser or any person claiming through the Purchaser, Zollern shall, in its sole discretion, have the right to sell or dispose of any of such Goods so removed or otherwise and shall not be responsible for any loss occasioned thereby.

PROGRESSIVE DELIVERY

Zollern may deliver any of the Goods progressively and shall then be entitled to payment progressively for the Goods delivered in such amounts, as Zollern shall reasonably determine. If the Purchaser fails to make a progress payment within Zollern's normal trading terms, then Zollern shall be entitled to withhold construction or delivery of the remainder of the Goods without incurring liability for such delay.

PROPRIETARY INFORMATION

(a) For purposes of this Agreement, "Proprietary Information" of Zollern shall mean: (i) information disclosed by Zollern to the Purchaser relating to the Goods, drawings, illustrations, display material, specifications, information, research and development, accounting information, financial data, billing information, identity of suppliers, intellectual property, software, systems, processes, formulae, inventions, discoveries, policies, guidelines, procedures and practices; (ii) other confidential, proprietary or trade secret information disclosed by Zollern to the Purchaser in furtherance of the purposes of these Terms and Conditions; (iii) information relating to Zollern's employees, contractors, customers or suppliers; and (iv) any compilation or summary of information or data that is itself Proprietary Information. For purposes of these Terms and Conditions, information shall be deemed to be disclosed by Zollern if such information is disclosed by any of its officers, employees, directors, contractors, agents or representatives. (b) Proprietary Information disclosed by Zollern to the Purchaser in the course of performing under these Terms and Conditions or to which the other gains access in connection with these Terms and Conditions shall be deemed to be the property of Zollern. The Purchaser agrees to: (i) receive such Proprietary Information in confidence; (ii) use reasonable efforts to maintain the confidentiality of such Proprietary Information and not disclose such Proprietary Information to third parties (except for the Purchaser's representatives, agents and contractors who have a need to know, are under a duty of non-disclosure with respect to such information no less restrictive than such provisions set forth in these Terms and Conditions, and are acting for the sole benefit of the Purchaser, which efforts shall accord such Proprietary Information at least the same level of protection against unauthorized use and disclosure that the Purchaser customarily accords to its own information of a similar nature and in any event at least a reasonable level of protection; (iii) use or permit the use of such Proprietary Information solely in accordance with the terms of these Terms and Conditions; and (iv) promptly notify Zollern in writing of any actual or suspected loss or unauthorized use, disclosure or access of Zollern's Proprietary Information of which the Purchaser becomes aware. These Terms and Conditions (as well as all information regarding the negotiation of these Terms and Conditions) shall be deemed to be the Proprietary Information of both parties. The Purchaser agrees that it shall abide by and reproduce and include any restrictive legend or proprietary rights notice that appears in or on any Proprietary Information that it is authorized to reproduce. The Purchaser also agrees that it shall not remove, alter, cover or distort any trademark, copyright or other proprietary rights notices, legends, symbols or labels appearing on or in any Proprietary Information. In addition, the Purchaser agrees to comply with all applicable state and federally mandated privacy provisions. (c) The restrictions on use and disclosure set forth in this Proprietary Information section shall not apply when, and to the extent that, the Proprietary Information: (i) is or becomes generally available to the public through no fault of the Purchaser; (ii) was previously rightfully known by the Purchaser free of any obligation to keep it confidential; (iii) is subsequently disclosed to the Purchaser by a third party who may rightfully transfer and disclose such information without restriction and free of any obligation to keep it confidential; or (iv) is independently developed by the -

Purchaser or a third party without any reference or relation to Zollern's Proprietary Information. The Purchaser may disclose any Proprietary Information that is required to be disclosed by the Purchaser as a matter of law, provided that the Purchaser uses all reasonable efforts to provide Zollern with at least ten (10) days prior notice of such disclosure and the Purchaser discloses only that portion of the Proprietary Information that is legally required to be furnished. (d) Neither the execution of these Terms and Conditions nor the furnishing of any Proprietary Information hereunder shall be construed as granting, either expressly, by implication, patent, copyright, trade secret, mask work right, or any other intellectual property right, now or hereafter owned or controlled by the party furnishing same.

INDEMNIFICATION

If Zollern has followed a design, sample or instruction furnished or given by the Purchaser, the Purchaser shall indemnify, defend and hold Zollern, its affiliates, and their officers, directors, employees, and agents (the "Indemnified Parties") harmless from and against all damages, penalties, costs and expenses to which the Indemnified Parties may become liable through any work required to be done in accordance with those instructions involving an infringement of a patent, trademark, registered design, copyright or common law right.

PAYMENTS AND CREDIT INQUIRIES

(a) All quotations and all payments made for Goods must be in United States currency. (b) Payment for any Goods sold shall become immediately due upon default by the Purchaser in payment for any of the Goods which Zollern has sold to the Purchaser and Zollern shall be entitled to suspend the supply of further Goods to the Purchaser. (c) The Purchaser hereby gives Zollern the authority to make inquiries from credit reporting agencies as to the credit and financial responsibility of the Purchaser from time to time.

APPLICABLE LAW

These Terms and Conditions and any Contract shall be interpreted and enforced under and in accordance with the laws of the State of Louisiana and the parties shall exercise any right or remedy thereunder exclusively in, and hereby consent to the exclusive jurisdiction of, the courts of the State of Louisiana and the United States District Court for the Eastern District of Louisiana in New Orleans, Louisiana. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, if and to the extent applicable.

INTERPRETATION

Any clause headings hereto shall not affect the construction hereof. If any provision of these Terms and Conditions is adjudged by a court to be invalid, void or unenforceable, the parties agree that the remaining provisions shall not be affected thereby, that the provision in question may be replaced by the lawful provision that most nearly embodies the original intention of the parties, and that these Terms and Conditions shall in any event otherwise remain valid and enforceable.

SERVICE OF NOTICES

Any notice or document required to be served under these Terms and Conditions or under any Contract entered into between the Purchaser and Zollern will be sufficiently served if either left at the address of the respective party as stated in the Contract or as otherwise notified from time to time in writing by that party or if posted by the pre-paid post to such address. If the document or notice is posted, service will be deemed to have been effected three days after the date on which the document or notice was posted.

DISCLAIMER

(a) All reasonable care has been taken to provide correct and accurate information in all company catalogues, brochures, instruction manuals and advertising material. However, Zollern makes no representation and gives no warranty or guarantee that Zollern's printed material contains no errors or omissions. Zollern excludes all liability that could arise from omissions or unintended inclusion of incorrect information, statements and recommendations in all company written material to the extent permitted by law. (b) The use of products supplied by Zollern for any purpose other than those for which they were designed or contrary to instructions or guidelines provided by Zollern is not recommended by Zollern and such use is strictly at the risk and discretion of the user. (c) All prices and specifications are subject to change without notice.

WAIVER

The waiver by either party of any of its rights or remedies or of any breaches by the other party under these Terms and Conditions in a particular instance shall not be considered as a waiver of the same or different rights, remedies or breaches in subsequent instances. No modification or waiver of any provision of these Terms and Conditions shall be effective unless made in writing and signed by the parties.

FORCE MAJEURE

Zollern shall not be liable for delays in delivery or non-delivery occasioned by labor disputes, fires, floods, snowstorms, damage to any of Zollern's facilities, acts of God, acts of terrorism or any similar or dissimilar cause beyond Zollern's reasonable control or which makes Zollern's performance under these Terms and Conditions commercially impracticable. In the event of any such delay Zollern shall use reasonable efforts to promptly remedy such delay.

ENFORCEMENT COSTS

The Purchaser shall pay to Zollern upon demand all costs and expenses (including, without limitation, all court costs, attorneys' fees and expenses) that Zollern may incur in connection with the enforcement of Zollern's rights under this Agreement.

ARBITRATION

Any controversy or claim arising out of or relating to these Terms and Conditions or any Contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association ("AAA") in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties hereby agree to use one (1) arbitrator. The place of arbitration will be New Orleans, Louisiana, United States of America.

SURVIVAL

The provisions of this Agreement that, by their nature, are intended to survive, shall survive the expiration or earlier termination of these Terms and Conditions.