

**SYSTEMS, INC. AND SUBSIDIARIES ("SELLER")**  
**ACKNOWLEDGMENT TERMS AND CONDITIONS OF SALE**

1. **TERMS AND CONDITIONS.** The obligations and rights of the party identified as the ("Buyer") and Seller shall be governed only by these terms and conditions. The provisions of any purchase order or other writing inconsistent here with shall not constitute a part of this contract of sale. If any of the terms and conditions hereof is not acceptable to Buyer, Buyer shall notify Seller in writing within five (5) business days of Buyer's receipt of this contract of sale. This is intended by the parties to be a final expression of their agreement and is a complete and exclusive statement of the terms and conditions of such agreement and supersedes all prior and contemporaneous promises, covenants, agreements, understandings, negotiations and discussions between the parties.
  2. **LIMITATION OF REMEDIES. UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OR EXPENSES OF ANY KIND, INCLUDING LOSS OF INCOME OR PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT OR WITH THE USE OR DELIVERY OF PRODUCTS FURNISHED HEREUNDER.** Seller's liability and Buyer's exclusive remedy for any claims arising out of the Products sold hereunder shall be limited to replacement or repair of nonconforming goods or payment in an amount not to exceed the purchase price therefore, at Seller's option.
  3. **PRICES.** The prices stated herein are F.O.B. Seller's plant and are based on the quantities specified for delivery in a single lot unless otherwise indicated. Such prices are subject to increase by Seller for (i) any order change made by Buyer and approved by Seller, and (ii) with respect to multiple orders pursuant to a single purchase order, for any order confirmed after a general price increase or surcharge made by Seller. (iii) Any necessary surcharges, including but not limited to, raw materials and fuel price increases.
  4. **FORCE MAJEURE.** Seller shall not be liable for any delay in performance or nonperformance on the part of Seller directly or indirectly caused by fire, explosion, accidents, flood, labor trouble or shortage, war, act or regulation of any government, inability to obtain suitable material, equipment, fuel, power or transportation, or act of God; arising from contingencies, happenings or causes beyond the control of Seller. Quantities so affected by any such circumstances may be reduced by Seller without liability, but this agreement shall otherwise remain unaffected.
  5. **PAYMENT.** Payment terms are net thirty (30) days after shipment unless otherwise stated. Outstanding balances not paid when due shall be subject to a late charge accruing from the date of Seller's invoice at the rate of the lower of eighteen percent (18%) per annum or the maximum interest allowable under applicable state law on any late payments due hereunder. Failure to timely pay any Seller Invoice shall cause all subsequent Invoices to become immediately due and payable.
  6. **TAXES AND FEES.** Unless otherwise stated, prices herein do not include any taxes, charges, assessments, or duties, and the amount of any thereof, which Seller is required to pay or collect, shall be invoiced to Buyer. Buyer shall be responsible for and pay all such taxes, charges, assessments, and duties arising by reason of this order. Buyer shall also pay any collection fees and reasonable attorneys' fees incurred by Seller in collecting payment of the purchase price and any other amounts for which Buyer is liable under the terms and conditions hereof.
  7. **SHIPMENT: RISK OF LOSS: TITLE.** Unless otherwise agreed to in writing by the parties, deliveries of the goods shall be F.O.B. Seller's facility. Seller shall use its best efforts to place the goods in the possession of a carrier and to make a contract for their transportation as may be reasonable, having regard for the nature of the goods and generally accepted commercial standards. Buyer shall be responsible for and pay all expenses paid or incurred by Seller in delivering the goods. Buyer shall be responsible for insuring the goods during shipment. Risk of loss of the goods shall pass to Buyer at the time the goods are tendered to such carrier.
  8. **CANCELLATION, MODIFICATION, SUSPENSION.** Cancellation, modification, suspension, or delay in shipment of Buyer's order shall not be accepted on terms which will not full indemnify and reimburse Seller against loss; such indemnity to include recovery of all direct costs incurred and a normal profit. All requests for cancellations, modifications, suspensions must be made in writing, and must be responded to in writing by the seller to be considered valid.
  9. **RETURNS.** All returns must have a valid Warranty Claim (WCN) number. All returns must be received by seller for inspection within 30 days of WCN# issue in order to receive credit for the returned parts. Seller is not responsible for lost or missing parts; buyer should obtain tracking number from their shipper to insure parts are delivered to Systems, Inc. All non-warranty returns will be subject to a restocking fee of 20% of the unit sell price.
  10. **CREDIT APPROVAL.** Shipments, deliveries and performances of work shall at all times be subject to the approval of Seller's credit department. Seller may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment in advance or upon such other payment terms as are acceptable to Seller's credit department.
  11. **NOTICE.** Any notice shall be considered given when deposited in the United States mail, postage prepaid, addressed to the other party at the address given herein.
  12. **WAIVER OF BREACH.** No claim or right arising out of a breach of this agreement by Buyer may be discharged in whole or in part by a waiver or renunciation of the claim or right by Seller unless supported by consideration and in writing signed by Seller. A waiver of a breach shall not operate or be construed as a waiver of any subsequent breach.
  13. **SETOFF.** Seller may set off any amount due from Buyer, whether or not under this agreement, against any amount which may become due to Buyer hereunder.
  14. **ASSIGNMENT.** Buyer shall not assign its right under this agreement or any interest therein without Seller's prior written consent. Any assignment without such consent shall be void and have no force and effect.
  15. **CONTROLLING LAW AND JURISDICTION.** This transaction shall be governed by, and this agreement shall be construed and enforced in accordance with, the laws of Wisconsin without regard to any conflicts of laws principles. Any and all legal actions or proceedings shall be brought only in the courts of the State of Wisconsin.
  16. **SEVERABILITY.** If any provision, clause or part of the application thereof is held invalid, the remainder of this agreement or the application of such provision, clause or part under other circumstances shall not be affected thereby.
  17. **BINDING EFFECT.** This contract for sale shall be binding and inure to the benefit of the parties hereto, their successors and assigns, or other legal representatives.
  18. **INDEMNIFICATION.** Buyer shall defend, indemnify and hold harmless the Seller, Sellers subsidiaries, agents, officers, successors and employees from and against all claims, damages, losses and expenses, including attorneys' fees, arising out of or resulting from the performance of the work or connected in any way to work performed under these Terms and Conditions, provided that any such claim, damage, loss or expense is caused in whole or in part by any negligent act or omission of the Buyer, anyone directly or indirectly employed by the Buyer, or anyone whose acts the Buyer may be liable, including but not limited to any such claim, damage, loss or expense that:
    - (1) Is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible and intangible property, including loss of use there from; or
    - (2) Is alleged to have arisen out of any breach of Buyer.
- This indemnification agreement shall not be limited in way by any limitations on the amount or type of damages, compensation or benefits payable by or for the Buyer under workers' compensation acts, disability benefit acts, or other employee benefit acts, and Buyer expressly waives the benefits of any liability cap recognized by any local, state or federal laws.
19. **WORKERS COMPENSATION:** A dealer shall provide a certificate of insurance including a waiver of subrogation in favor of Systems.
  20. **GENERAL LIABILITY INSURANCE:** The dealer shall provide evidence of liability insurance. A minimum limit of \$1M is required and must include products and completed operations coverage, an additional insured endorsement and waiver of subrogation clause.
  21. **AMENDMENT.** This contract for sale may only be amended in writing signed by both parties hereto.