

## GENERAL TERMS AND CONDITIONS FOR DELIVERIES, WORK AND SERVICES

### I. General.

1. These General Terms and Conditions for Deliveries, Work and Service (the "Terms and Conditions") govern any sale of equipment and/or parts (the "Goods") and/or services (the "Services") by Mühlbauer, Inc. and its affiliates ("Mühlbauer") to Mühlbauer's Customer. Unless Mühlbauer has expressly accepted additional or different terms in writing, Mühlbauer rejects any terms or conditions of Customer that are in addition to or in conflict with these Terms and Conditions and any such additional or conflicting terms shall be of no force or effect with regard to any sale by Mühlbauer (regardless of whether any Goods are sent or Services are performed in connection therewith). These Terms and Conditions apply to all purchase orders, Mühlbauer order confirmations, quotations, schedules or ancillary agreements (collectively, the "Purchase Order"), even if they are not explicitly referenced.

### II. Customer Offer.

1. Any Purchase Order issued by Customer constitutes an offer, which must be accepted by Mühlbauer in writing in order to form a binding contract. If accepted, these Terms and Conditions shall be applicable to any such Purchase Order.

### III. Terms of Delivery.

1. The delivery of Goods is "ex works" EXW (INCOTERMS 2010) at Mühlbauer's factory designated in the Mühlbauer offer and/or order confirmation. The parties may agree in advance in writing for Mühlbauer to arrange for freight and/or insurance and advance such costs on behalf of Customer, in which case Customer will reimburse Mühlbauer immediately upon receipt of Mühlbauer's invoices therefore. Unless otherwise agreed by Mühlbauer and Customer, Mühlbauer has no obligation to obtain insurance for Customer covering Goods in transit.
2. The date of delivery of the Goods shall be agreed on by the parties and set forth on the applicable order confirmation. Mühlbauer undertakes to exert its commercially reasonable efforts to meet the anticipated date of delivery; however, such delivery date is an estimate only and Mühlbauer shall not be liable for any delay. Partial shipments are permissible and must be accepted by Customer.
3. Should Customer need to request a delay in delivery, it must notify Mühlbauer in writing as soon as possible after it discovers the need for the delay and in no event less than one (1) week before the agreed date of delivery. Mühlbauer, at its option, may store the Goods until Customer accepts delivery. Customer shall be liable for all related costs and expenses (including without limitation, storage and insurance) as a result of a Customer requested delay in delivery.
4. If Customer is responsible for picking up the Goods at Mühlbauer's facility or another location and fails to do so within eight (8) days after the agreed date of pickup, Mühlbauer may, at its option, ship the Goods to Customer's facility at Customer's expense.
5. Customer is responsible for the disposal of packaging of the Goods (except for pallets) at its expense.

### IV. Risk of Loss.

1. Unless otherwise agreed to by the parties, Goods shall be deemed to be delivered and risk of loss shall pass to Customer at such time as possession of such Goods is given to a transportation carrier. If delivery is delayed at the request of Customer or in case of default of acceptance, the risk of loss will pass when Mühlbauer provides Customer with written notice that the Goods are ready for shipment. In this case, Customer will bear the expense of storage of the Goods until they are delivered.

### V. Prices and Payment Terms.

1. Mühlbauer's prices for Goods and Services shall be Mühlbauer's current prices and charges in effect at the time of shipment, unless otherwise provided in a Purchase Order duly accepted in writing by Mühlbauer. Prices are exclusive of sales, use, excise, or other taxes, duties and charges of any kind imposed by or payable to any governmental authority. Customer shall be responsible for all such taxes, charges and costs; provided that, Customer shall not be responsible for any taxes imposed on Mühlbauer's income. Mühlbauer may charge, and Customer must pay to Mühlbauer, any of these charges and/or taxes in addition to the purchase price for the Goods and/or Services.
2. If, after Mühlbauer has accepted a Purchase Order, Mühlbauer incurs any increase in labor and/or material costs or other circumstances beyond Mühlbauer's reasonable control result in an increase in costs, Mühlbauer may make the corresponding increase in the contract price for the Goods and/or Services. Mühlbauer will provide written notice of such price increase to Customer and Customer shall be obligated to pay the increased price unless it provides written notice of its objection and cancellation of its purchase order to Mühlbauer within five (5) days from its receipt of Mühlbauer's notice.
3. Customer shall pay invoices due net in the currency stated on the applicable invoice within fourteen (14) days from the date of invoice. Any amounts not paid within fourteen (14) days will accrue interest at a rate of 1.5% per month or the maximum permitted by applicable law,

whichever is less. Customer agrees to pay all expenses of collection, including reasonable attorneys' fees, in the event that amounts owed by Customer are not paid when due.

4. Partial deliveries may be invoiced by Mühlbauer separately.
5. Customer shall not be entitled to withhold or offset amounts due to Mühlbauer for any reason, including but not limited to, a claim by Customer that Goods or Services are nonconforming.
6. If, after Mühlbauer has accepted a Purchase Order, Mühlbauer reasonably believes that Customer may not pay its obligations to Mühlbauer when due, Mühlbauer may request assurances from Customer, including but not limited to a bank guarantee or advance payment. If Customer is unable to provide such assurances, Mühlbauer may, at its option, cancel the Purchase Order without liability to Mühlbauer and recover any damages from Customer, including but not limited to reasonable attorney's fees.

### VI. Security Interest.

1. As security for the full payment of the purchase price, Customer hereby grants to Mühlbauer a security interest in the Goods and all Proceeds thereof. For purposes hereof, "Proceeds" shall have the meaning given in Section 8.9A-102(a)(64) of the Code of Virginia (as amended). Customer authorizes Mühlbauer to execute and file financing statements covering the Goods and Proceeds. Customer agrees to cooperate and take such action as Mühlbauer deems reasonably necessary to protect its security interest in the Goods. Customer shall notify Mühlbauer in writing within thirty (30) days of any change of Customer's name or state of organization. The security interest granted hereunder, and any security agreement or other security interest between the parties, whether granted directly or assigned, shall survive any termination of any agreement between the parties and remain in full force and effect until payment in full of the purchase price for the Goods and/or Services.
2. Until Customer has paid in full the purchase price and other charges due to Mühlbauer hereunder, Customer shall have the right to resell the Goods only with Mühlbauer's prior written consent to such resale. Resale with Mühlbauer's consent shall be on a cash basis and, if not on a cash basis, shall be only on such terms and conditions as have been approved in advance by Mühlbauer in writing. Any and all cash proceeds of resale shall be fully accounted for by Customer and promptly paid to Mühlbauer to be applied to the payment of Customer's indebtedness hereby secured. Customer shall deliver to Mühlbauer all documents and agreements with respect to the resale by Customer, including, but not limited to, a copy of the executed sales contract between Customer and its customer covering the Goods, any chattel paper arising therefrom, any notes associated therewith, and any and all other documents relating to the resale. Customer shall execute and deliver to Mühlbauer such additional documentation as Mühlbauer, in its sole discretion, deems appropriate, including without limitation assignments of such sales contracts, other chattel paper, notes, and security documents.
3. Customer shall insure the Goods in amounts equal to at least the value of the Goods until the purchase price of the Goods is paid in full and shall provide Mühlbauer with a certificate of insurance from Customer's insurer evidencing such insurance. The certificate of insurance shall name Mühlbauer as an additional insured.
4. Customer assigns to Mühlbauer any and all claims that it has against a third party for ensuring Mühlbauer's claims against Customer, which arise out of the co-mingling of the Goods with other items.
5. During the time period from the date of delivery until the Goods are paid in full, Customer must perform system maintenance at least every six (6) months, using qualified technicians of Mühlbauer at Customer's sole cost and expense. Thereafter, if maintenance and inspection are reasonably necessary, Customer must perform such maintenance and inspection in a timely manner and at its own expense.

### VII. Warranty.

1. Mühlbauer warrants that the Goods will be free from material defects in material and workmanship when used and operated in conformance with Mühlbauer's specifications and/or documentation, including routine and required maintenance, for a period of twelve (12) months from the date of shipment. Notwithstanding the foregoing, the warranty period for any spare or replacement Goods furnished under this warranty shall not extend beyond the warranty period of the original Goods that they replace. Customer's sole remedy in the event of a breach of this limited warranty shall be, at Mühlbauer's option, the repair or replacement of the defective Goods or the refund of the portion of the purchase price already paid to Mühlbauer for the particular defective Goods.
2. The limited warranty in Section VII.1 above shall not apply to, and specifically excludes, damage or defects resulting from (i) any Force Majeure Event, as defined below, (ii) any use of the Goods not in strict conformance with the Mühlbauer specifications, (iii) abuse, misuse or failure to maintain the Goods, (iv) repair or modification of the Good, or any part thereof, by any person or party other than Mühlbauer, (v) hardware, software, product or other good or service provided or licensed by any third party.
3. Wear parts, such as cutting punches, stencils, milling cutters, bearings, consumables, metering devices and needles, contact equipment, etc., are specifically excluded from the limited warranty in Section VII.1

above. If such items are covered by a third party warranty, Mühlbauer will, to the extent permitted, pass the warranty along to Customer.

4. Products manufactured by a third party ("Third Party Products") may constitute, contain, be contained in, incorporated into, attached or packaged together with, the Goods. Such Third Party Products are not covered by the limited warranty in Section VII.1. For avoidance of doubt, MUHLBAUER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, OR NON-INFRINGEMENT, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE OR OTHERWISE. If any Third Party Product is covered by a warranty given by such third party, Mühlbauer will, to the extent permitted, pass such third party warranty on to Customer.
5. Mühlbauer warrants that the Services will be performed in a workmanlike manner. Customer's sole remedy in the event of a breach of this limited warranty shall be, at Mühlbauer's option, re-performance of the Services at no additional cost or a refund of amounts paid for such Services.
6. THE WARRANTIES SET FORTH IN THIS SECTIONS VII.1 AND VII.4 ARE THE ONLY WARRANTIES APPLICABLE TO THE GOODS AND SERVICES, AND ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES. MUHLBAUER MAKES NO WARRANTIES WITH RESPECT TO THE GOODS OR SERVICES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. THE REMEDIES STATED IN SECTIONS VII.1 AND VII.4 SHALL BE THE SOLE AND EXCLUSIVE REMEDIES AVAILABLE TO CUSTOMER FOR ANY BREACH OF THE RESPECTIVE WARRANTIES SET FORTH IN SECTIONS VII.1 AND VII.4. MUHLBAUER DOES NOT ASSUME ANY OTHER OBLIGATION OR RESPONSIBILITY WITH RESPECT TO THE GOODS AND SERVICES AND HAS NOT AUTHORIZED ANY PERSON TO ASSUME ANY OTHER OBLIGATION OR LIABILITY ON ITS BEHALF.

#### VIII. Limitation of Liability.

1. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT SHALL MUHLBAUER BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY DELAY, WORK STOPPAGE, LOSS OF USE, LOSS OF TIME, INCONVENIENCE, LOSS OF PROFITS, LOSS OF DATA, OR DIMINUTION IN VALUE, OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES, WHETHER BASED ON CONTRACT, TORT, WARRANTY, STRICT LIABILITY, OR OTHER THEORY, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT MUHLBAUER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OR ANY AGREED OR OTHER REMEDY OR ITS ESSENTIAL PURPOSE. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE MAXIMUM LIABILITY, IF ANY, OF MUHLBAUER, WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, STRICT LIABILITY, OR OTHER THEORY IS LIMITED TO AN AMOUNT NOT TO EXCEED THE AMOUNT ACTUALLY PAID BY CUSTOMER FOR THE PARTICULAR DEFECTIVE GOODS OR SERVICES.

#### IX. Intellectual Property.

1. Mühlbauer shall retain all intellectual property rights, title and interest in and to the Goods, as well as any drafts, drawings, software, products, articles, equipment and other materials (the "Property") that it has provided to Customer even if Customer has borne the expense for the development of the Property.
2. Mühlbauer shall defend, at its own expense, any claim or suit brought by a third party against Customer based upon a claim of infringement of a United States patent or copyright resulting from the sale or use of the Goods and shall pay all reasonable costs, settlements or damages finally awarded as a result of such claim or suit. Mühlbauer's indemnification obligations under this Section IX are expressly conditioned on: (i) Customer's prompt notification of Mühlbauer of any such claim or suit; (ii) Customer's reasonable cooperation with Mühlbauer in the defense and/or settlement of any such claim or suit; and (iii) Customer allowing Mühlbauer exclusive control over the defense and/or settlement of any such claim or suit, including without limitation the selection of counsel. Mühlbauer shall not have any liability for any settlement or compromise made without its express prior written consent. In the event a final judgment is obtained against Customer's use of the Goods, Mühlbauer may, at its option and expense, obtain the right to continued use, substitute substantially equivalent noninfringing Goods, or take back any infringing Goods in Customer's possession and refund the purchase price less a reasonable charge for use. THE FOREGOING STATES MUHLBAUER'S ENTIRE LIABILITY FOR PATENT AND COPYRIGHT INFRINGEMENT CLAIMS BASED UPON THE SALE OR USE OF THE GOODS.
3. Mühlbauer shall not have any liability or obligation to Customer under this Section IX to the extent any claim of infringement is based upon (i) use of the Goods in connection with or in combination with any equipment, devices or software not supplied by Mühlbauer, (ii) use of the Goods in a manner other than as specified in the operations manual, (iii)

alteration or modification of the Goods or any software supplied by Mühlbauer by Customer or any third party. Mühlbauer shall not be liable for any infringement of patents or other intellectual property rights in countries other than the country where the Goods originated and the country to which Mühlbauer ships the Goods.

4. The Goods are embedded with certain software, and/or Mühlbauer has available for license certain software that can be installed on, or used solely in connection with, the Goods, and in each case such software is, and shall remain, the property of Mühlbauer. A sale of Goods to Customer does not constitute a sale of any rights, title or interest in or to such software. Such software is licensed to Customer pursuant to the terms and conditions of the Mühlbauer General Software License Conditions found at [www.muehlbauer.com](http://www.muehlbauer.com), which is hereby incorporated by reference and made part of these Terms and Conditions.

#### X. Force Majeure.

1. Mühlbauer shall not be liable for any failure, delay in or impairment of performance of all or any part of any Purchase Order resulting in whole or in part from fires, floods, earthquakes, or other catastrophes; strikes, lockouts or labor disruptions; wars, riots, civil commotion, vandalism, terrorist acts, or embargo delays; government allocations or priorities; shortages, delays or failures of transportation equipment; shortages of fuel, labor or materials; severe weather conditions; any applicable governmental or judicial law, regulation, order or decree, or any other circumstance or cause beyond the control of Mühlbauer in the reasonable conduct of its business ("Force Majeure Event").

#### XI. Confidential Information.

1. Mühlbauer owns valuable research, designs, plans, drawings, specification sheets, manuals, component lists, inventions, trade secrets, proprietary information, know-how, patent applications, and other intellectual property (the "Confidential Information"). Customer expressly agrees to maintain in strictest confidence at all times any Confidential Information provided to Customer and to make absolutely no use whatsoever for the benefit of Customer or any third party of the Confidential Information other than for the sole purpose of enabling Customer to operate, repair and maintain the Goods. It is expressly understood and agreed by and between the parties that all Confidential Information furnished to Customer by Mühlbauer shall remain at all times the exclusive property of Mühlbauer.

#### XII. Dispute Resolution.

1. Applicable Law. These Terms and Conditions shall be governed by the law of the Commonwealth of Virginia, without regard to its conflict of law principles. The United Nations Convention on Contracts for the International Sale of Goods and the 1974 Convention on the Limitation Period in the International Sale of Goods, as amended by the 1980 Vienna Protocol, are excluded.
2. Exclusive Jurisdiction. With respect to any dispute, claim or controversy arising under, out of, in connection with or relating to the contract, or any course of conduct, course of dealing, statements (oral or written), or actions of Mühlbauer or Customer relating to the contract, Customer agrees that any action at law, suit in equity or other judicial proceeding for the enforcement of the contract or any provision hereof shall be instituted only in the United States federal or state courts located within the Commonwealth of Virginia, provided that Mühlbauer at its option may elect to sue Customer at its principal place of business or in any jurisdiction in which the Goods or other assets of Customer may be found.
3. WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, MUHLBAUER AND CUSTOMER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND WITH THE ADVICE OF COUNSEL WAIVE ANY RIGHTS THAT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE, CLAIM OR CONTROVERSY BASED ON THIS CONTRACT OR THE GOODS OR SERVICES, OR RELATING TO, ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS CONTRACT OR THE GOODS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (ORAL OR WRITTEN), OR ACTIONS OF MUHLBAUER OR CUSTOMER RELATING TO THESE TERMS AND CONDITIONS OR THE GOODS OR SERVICES. THIS WAIVER WILL APPLY REGARDLESS OF HOW ANY CAUSE OF ACTION IS DENOMINATED AND REGARDLESS OF WHAT RELIEF IS SOUGHT. IF THIS WAIVER IS INEFFECTIVE AS TO ONE OR MORE CAUSES OF ACTION FOR ANY REASON, THIS WAIVER WILL REMAIN EFFECTIVE AS TO ALL OTHER CAUSES OF ACTION.
4. Attorney's Fees. In the event of any suit, action or proceeding of any nature related to this contract, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs, and expenses incurred in such dispute, including any appeal thereof.

#### XIII. Miscellaneous.

1. Entire Agreement. These Terms and Conditions, together with the Mühlbauer General Software License Conditions, and the Purchase Order duly accepted by Mühlbauer in writing constitute the entire agreement between Mühlbauer and Customer with respect to the matters contained therein, and supersede all prior oral or written



representations, proposals, correspondence, discussions, negotiations and agreements. No course of prior dealings and no usage of trade shall be relevant to supplement, explain or modify any terms contained herein.

2. **Priority.** These Terms and Conditions prevail over any of Customer's general terms and conditions of purchase, regardless of whether or when Customer has submitted a purchase order or such terms and whether any such purchase order has been accepted by Mühlbauer and constitutes a Purchase Order as defined herein. Fulfillment of Customer's order does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms and Conditions.
3. **Effect of Waiver.** No delay or failure to exercise any right or remedy accruing to Mühlbauer upon any breach or default of Customer shall impair any such right or remedy or be construed to be a waiver of any such breach or default; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring.
4. **No Modification.** No modification of these Terms and Conditions shall be binding upon Mühlbauer unless it is in writing, is signed by an authorized representative of Mühlbauer; and refers specifically to the Terms and Conditions and the portion(s) of the Terms and Conditions that it is intended to modify.
5. **Relationship.** Mühlbauer and Customer are independent contracting parties and nothing in these Terms and Conditions or the Purchase Order shall be construed as constituting or making Mühlbauer or Customer as franchiser, franchisee, partner, broker or agent of the other. Each party is an independent contractor and neither shall have any power, right or authorization to bind the other or to assume or create any obligations or responsibilities, express or implied, on behalf of the other or in the other's name.
6. **No Third-Party Beneficiary.** The Terms and Conditions and any Purchase Order are for the sole benefit of Mühlbauer and Customer and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms and Conditions or Purchase Order.
7. **Notices.** Unless otherwise specified herein, all notices, requests and other communications to any party shall be in writing (including facsimile transmissions and similar writings) and shall be given to such party at its address or facsimile number set forth in the order confirmation or such other address or facsimile number as such party may hereafter specify for that purpose by notice to the other party. Each such notice, request or other communication shall be effective (i) if given by facsimile, when such telecommunication is transmitted and confirmation of receipt obtained, (ii) if given by mail, five days after such communication is deposited in the mail by certified mail, return receipt requested, first class postage prepaid, addressed as aforesaid or (iii) if given by any other means, when delivered at the address specified.
8. **Section Headings.** The headings of the sections herein are inserted for convenience only and are not intended to affect the meaning or interpretation of the Terms and Conditions.
9. **Severability.** If any provision of the Terms and Conditions conflicts with any statute or rule of law of any jurisdiction wherein it may be sought to be enforced, then such provision shall be deemed null and void to the extent that it may conflict therewith, but without invalidating the remaining provisions of the Terms and Conditions.
10. **Successors and Assigns.** The Terms and Conditions shall be binding upon and inure to the benefit of the parties thereto and their respective successors and assigns. Customer may not assign its rights or delegate its obligations hereunder or under any Purchase Order without Mühlbauer's prior written consent, which consent may be withheld in Mühlbauer's sole discretion.
11. **Effect of Termination.** In the event Customer terminates any contract between Customer and Mühlbauer for convenience, if such termination is permitted by the applicable contract, Customer shall immediately pay to Mühlbauer all amounts then due and owing for any Goods delivered or Services rendered to Customer up to and through the effective date of termination, for Goods ready for delivery and already procured material.
12. **Survival of Provisions.** The following provisions of these Terms and Conditions will survive termination of the contract for any reason: Sections VI (Security Interest), VII (Warranty), VIII (Limitation of Liability), IX (Intellectual Property), XI (Confidential Information), XII (Dispute Resolution), and XIII (Miscellaneous).
13. **Use of Names.** Customer shall not use the name, logo, or other marks of Mühlbauer, or any abbreviation thereof in any manner, including, but not limited to, advertising, trade display, or public statement, or for any commercial purpose without the prior written consent of Mühlbauer, which consent may be withheld in Mühlbauer's sole discretion.
14. **Indemnity.** Customer agrees to indemnify and hold Mühlbauer harmless from and against any and all claims, losses, damages, liability, taxes, penalties, interest and/or costs, including but not limited to reasonable attorney's fees and court costs, however caused, resulting from, arising out of or in any way connected with (i) any breach of these Terms and Conditions by Customer, or its agents or employees, (ii) any unauthorized use or misuse of the Goods, (iii) death of, or injury to, any person whatsoever, or damage to property of any kind by whomsoever owned, caused in whole or in part by the acts or omissions of Customer, or its agents, or employees, or by the Goods furnished by Mühlbauer, or (iv) sales and/or use taxes, as applicable, levied or claimed by any

governmental entity in any circumstance where Customer has provided Mühlbauer with a certificate, letter or other document or representation indicating that a sale or lease to Customer or any other transaction is exempt from sales and/or use tax. The indemnity agreement set forth in this paragraph applies to any and all transactions and business relations between Mühlbauer and Customer, including without limitation, the deliveries, work and/or service which is the subject of this contract, as well as any past or future contracts or transactions.