

ATTWOOD CORPORATION

Terms and Conditions of Sale

All sales of Attwood Corporation ("Attwood") products are made on the following terms and conditions. The product or products being sold by Attwood are referred to as "goods."

1. Agreement. Attwood's quotation is an offer which may be changed or withdrawn by Attwood at any time before it is accepted by Purchaser. If Purchaser has not otherwise agreed to these terms of sale, Purchaser's acceptance of delivery of, or payment for, the goods will indicate agreement to these terms, Attwood objects to and will not agree to any additional or different terms that may appear on any purchase order or other paper sent to Attwood by Purchaser. Purchaser has not made any promises or representations to Attwood, and Attwood has not made any to Purchaser, that are not part of this agreement. Any addition of, change in, or waiver of, any provision of this Agreement must be made in a writing signed by both parties.

2. Prices. Except as otherwise agreed in writing, all prices quoted by Attwood are valid for thirty (30) days from the date of quotation. Thereafter, Attwood reserves the right to change the price at any time or from time to time as to any part of the order then unfilled due to fluctuations in prices of materials or manufacturing processes used by Attwood in producing the goods. All prices apply to standard pack quantities only. Attwood's stated price does not include any privilege, occupation, personal property, value-added sales excise, use, or other tax or any import or export duties, licenses, permits, and fees, and Purchaser shall be liable for all such taxes, duties and fees whether or not invoiced by Attwood. Unless otherwise stated, Attwood's stated price does not include transportation and insurance charges. Attwood reserves the right to ship the goods in any commercially reasonable manner. The cost of the transportation and insurance may be prepaid by Attwood and added to the invoice.

3. Payment. Attwood may require payment in full from Purchaser prior to shipment. If goods are shipped prior to payment, unless otherwise agreed to in writing, payment terms shall be net thirty (30) days from the date of invoice.

4. Solvency and Security Interest. Purchaser represents to Attwood that Purchaser is solvent. Purchaser grants to Attwood a security interest in all goods to secure Purchaser's present and future obligations to Attwood. At Attwood's request, Purchaser shall give Attwood a signed financing statement reflecting this security interest.

5. Title and Risk of Loss. All goods shipped F.O.B. Attwood's plant. Title and risk of loss shall pass to Purchaser upon Attwood's delivery of the goods to the original carrier. Purchaser has the responsibility for promptly filing claims for loss or damage in transit with the carrier.

6. Delivery. Attwood shall endeavor to have the goods available for delivery to the original carrier on or before the delivery date specified on the (reverse side of/document attached to) this (quotation/order acknowledgement/invoice). Shipping dates, however, are estimates only and time is not of the essence. All deliveries are subject to modification or cancellation due to events beyond Attwood's control, including but not limited to, storms, floods, fires, strikes, walkouts, riots, acts of God, war, failure to secure materials from usual sources of supply, and revisions in product specifications requested by Purchaser. IN NO EVENT SHALL ATTWOOD BE LIABLE FOR ANY LOSS OF PROFIT OR PROPERTY OR FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES RESULTING FROM ITS FAILURE TO MEET ANY DELIVERY DATES. Attwood may ship the quantity of goods ordered by Purchaser, rounded to the nearest standard pack, and said shipment shall be deemed in conformity with this Agreement. Attwood shall have the right to deliver all goods at one time or in portions from time to time.

7. Specially Manufactured Goods. Any designs, drawings, models, tools, instruments or other equipment which Attwood may use in manufacturing goods designed to Purchaser's specifications is not

part of the sale to Purchaser and shall remain Attwood's property, even if the sales price includes a charge for the use of such tooling. Purchaser shall indemnify, hold harmless, and defend Attwood if it requests, as to any claims brought or damages suffered because any claimed unfair competition or patent, trademark or copyright infringement, or any other claim resulting from Attwood's manufacture of the goods to Purchaser's specifications.

a. Changes In the Goods. Attwood may make design or engineering changes in the goods and in its processes or methods of manufacture.

9. Purchaser's Obligations. Purchaser warrants and agrees as follows:

(a) All equipment with which the goods shall be used shall be in good repair when the goods are installed and shall be maintained in good repair so long as Attwood goods are used in that equipment.

(b) All goods shall be installed, used and maintained in accordance with any installation, use or maintenance instructions provided by Attwood.

(c) The goods shall not be altered or modified in any way without Attwood's written consent.

(d) Purchaser shall not misuse, abuse, or damage the goods.

(e) If Purchaser resells the goods, Purchaser agrees to impose the obligations contained in this paragraph 9 on its buyer.

If Purchaser shall breach any of its warranties to or agreements with Attwood, Purchaser shall indemnify and hold Attwood harmless from and against all damages, losses, claims, and expenses, including attorneys' fees. In particular, Purchaser shall indemnify Attwood for any claim by, or any loss, damage, or liability arising out of injury to any third party, including any employee of Purchaser.

10. Warranty Information. A written warranty may be obtained free of charge upon request. Contact Attwood Customer Service, 1016 North Monroe Street, Lowell, MI 49331.

11. Purchaser's Remedies. Subject to the limitations and conditions of paragraphs 9 and 10. If any item of the goods proves to be defective and if Purchaser promptly notifies Attwood of the defect in writing, provides proof of original consumer purchase if any including date, and returns the item freight prepaid to Attwood at its plant in Lowell, Michigan, within the warranty period, Attwood at its expense and at its option shall either repair or replace the defective item. Repair or replacement does not include any cost of removal, reinstallation or transportation of the defective item. If Attwood opts not to repair or replace a defective item, Attwood shall issue a credit to Purchaser covering all or part of the purchase price, as Attwood shall determine. For purpose of this paragraph, a defective item is an item which is found by Attwood to have been defective in materials or workmanship, if the defect materially impairs the value of the good to Purchaser, provided that if Purchaser shall have approved a sample, or drawings of or specifications for the goods, then the goods shall not be defective to the extent they conform to the sample, drawings, or specifications. The acceptance by Attwood of any product returned shall not be deemed an admission that the product is defective or in violation of any warranty. This paragraph sets forth Purchaser's exclusive remedies for any defect in the goods. ATIWOOD SHALL HAVE NO LIABILITY TO PURCHASER FOR CONSEQUENTIAL, OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, PERSONAL INJURY, PROPERTY DAMAGE, LOST PROFITS, OR OTHER ECONOMIC INJURY DUE TO ANY DEFECT IN THE GOODS OR ANY OTHER BREACH BY ATTWOOD, FURTHERMORE, ATIWOOD SHALL HAVE NO LIABILITY TO DEALER IN TORT FOR ANY NEGLIGENT DESIGN OR MANUFACTURE OF THE PRODUCTS, OR FOR THE OMISSION OF ANY WARNING THEREFROM.

12. Cancellation or Delay by Purchaser. After Purchaser has accepted Attwood's quotation. Purchaser may not cancel, delay or interrupt the manufacture, assembly or shipment of goods without Attwood's consent. If Purchaser causes or requests cancellation, delay beyond Attwood's current estimated delivery dates, or interruption in the manufacture, assembly or shipment of the goods, Purchaser shall pay Attwood for all damages resulting therefrom, including, but not limited to, payment of reasonable storage expenses for the good during any delay or interruption, payment for all work completed, a percentage of the price on such items that have not been completed equal to the

percentage of completion of the item, all cost designs, drawings, tools, models, instruments, materials, dies and patterns and all other costs incurred by Attwood, plus overhead and normal profit. Invoices covering the above costs shall be due and payable immediately upon presentation and Attwood's consent to cancellation shall not be effective until the invoices are paid by the Purchaser.

13. Attwood's Rights. Attwood shall have all the rights and remedies given to sellers by applicable law. Attwood's rights and remedies shall be cumulative and may be exercised from time to time. Attwood shall not lose any right because Attwood has not exercised it in the past.

14. Assignment. Purchaser agrees that Attwood may assign or subcontract its obligations under this Agreement.

15. Applicable Law. Attwood and Purchaser agree that this Agreement will be governed by, and interpreted according to, Michigan law, with the provision that any action for breach of this Agreement must be commenced within one (1) year after such breach. Any lawsuit arising out of this Agreement or the goods may be handled by any federal or state court in Kent County, Michigan, and Purchaser consents that the court shall have personal jurisdiction over Purchaser and with respect to any such action the mailing of any process to Seller's last known address by certified mail, return receipt requested, shall constitute lawful and valid service of process.

16. Severability. If any provision of this Agreement is invalid or unenforceable under any law, the provision shall be ineffective to the extent and for the duration of the illegality, but the remaining provisions shall be unaffected.