1. CONDITIONS OF SALE: All orders for Coperion K-Tron Pitman, Inc., or Coperion K-Tron Salina, Inc. (each hereinafter referred to as "Coperion K-Tron") products and services shall be subject to these terms and conditions of sale. No modification of these terms and conditions or any other conditions will be recognized by Coperion K-Tron unless specifically agreed to in writing by an authorized representative of Coperion K-Tron. The failure of Coperion K-Tron to object to provisions contained in any order or other communication from the purchaser shall not be construed as a waiver of these terms and conditions or an acceptance of such provisions.

2. PURCHASE ORDERS: Purchase orders must be issued to Coperion K-Tron.

3. PRICES: Prices are subject to CHANGE WITHOUT NOTICE. Verbal quotations expire, unless accepted in writing by the purchaser, the same day they are made. Written quotations automatically expire thirty (30) calendar days from the date issued and may be terminated by Coperion K-Tron by written notice within that period. Unless indicated in the quotation, prices do not include service or travel expenses. A purchase order is required for any field startup or service.

4. ESCALATION: a) EQUIPMENT PRICES - F.O.B. Factory price for equipment is fixed as quoted if shipment is made within three (3) months or within the quoted delivery schedule, whichever is longer, from the date of purchase order. If shipment is not made prior to the aforementioned periods due to delays caused by the purchaser, prices in effect at time of shipment will apply, or, if higher, an escalation charge of 1.5% per month, computed from the respective aforementioned periods to the date of delivery, shall be added to the purchase price. b) INSPECTION OR ACCEPTANCE TESTING - A per diem charge of .05% of the purchase order value of the involved equipment or a per diem charge of $50.00, whichever is greater, will be charged for delays created by the purchaser to scheduled inspection or acceptance testing. The charge will commence two (2) weeks after the date that had been scheduled for the inspection or test. c) If the purchaser requests acceptance testing of the equipment with material, Coperion K-Tron will charge an additional amount to the purchaser, as determined by Coperion K-Tron.

5. TERMS OF PAYMENT AND SECURITY INTEREST: For purchasers whose credit is acceptable to Coperion K-Tron, at Coperion K-Tron’s absolute discretion, the standard terms of payment are NET 30 DAYS from the date of invoice. Progress payments may be required for orders of $50,000 or greater, based on the complexity and/or delivery requirements of the project. The progress payment schedule for projects of $50,000 or greater will be a 35% down payment with the order and a 65% payment at shipment, unless further defined within the quotation. Pro rated payments shall become due as shipments are made. If shipment is delayed by the purchaser, payments shall be made based on the price and percentage of completion. If the purchaser defaults on any payment when due, then the full contract price shall immediately become due and payable on demand, or Coperion K-Tron, at its option, without prejudice to its other lawful remedies, may defer delivery or cancel any order. Products held for the purchaser shall be at the risk and expense of the purchaser, as determined by Coperion K-Tron. Coperion K-Tron retains a purchase money security interest in the products purchased hereunder until the purchase price is fully paid and all other obligations of the purchaser have been satisfied.

6. ERRORS: All clerical errors are subject to correction.

7. ACCEPTANCE: No order shall be valid until accepted in writing by Coperion K-Tron.

8. CHANGE ORDERS: Changes from the original specifications on which an accepted order or proposal is based will not be accepted unless requested in writing and subject to the following conditions: In the event such change increases the cost of any product, including actual component cost and expenses incurred in modifying a partially or completely manufactured product, then such additional expenses shall be added to the original accepted price. A fee, as designated by Coperion K-Tron, will be assessed on each change order.

9. TAXES: Any manufacturer’s tax, use tax, sales tax, or tax or duty of any nature whatsoever, which may be assessed against this order, shall be added to the price quoted or invoiced and shall be paid by the purchaser. In the event Coperion K-Tron is required to pay any such tax or duty, the purchaser shall reimburse Coperion K-Tron therefor, or in lieu of such payment, shall provide Coperion K-Tron, at the time the order is submitted, with exemption certificates or other documents acceptable to taxing or customs authorities.

10. PENALTIES AND DELAYS: No penalty clause of any kind, in any specification or order, shall be effective unless specifically approved in writing by Coperion K-Tron. Coperion K-Tron shall not be liable for any damage caused by delays beyond Coperion K-Tron’s reasonable control, including, without limitation, fire, strike, act of the purchaser, restrictions by civil or military authority, acts of God, transportation failures, or inability to obtain labor, materials or manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of delay.

11. CANCELLATION: Any order or contract may be cancelled by the purchaser only upon payment of the reasonable charges based upon expenses already incurred and commitments made by Coperion K-Tron. The minimum cancellation charge in any event will be ten percent (10%) of the sale price.
12. SHIPMENT AND TITLE TO PRODUCTS: a) Coperion K-Tron products are normally quoted F.O.B. Pitman, New Jersey or F.O.B. Salina, Kansas. When the purchaser requests other than F.O.B. Pitman or Salina, the additional costs will be billed to the purchaser. b) The estimated time to ship is based from the date of receipt of a purchase order or return of approval drawings (if required), and clarification of all technical details, whichever is later. c) Title to products shall transfer to purchaser when the products leave the Coperion K-Tron facility.

13. DAMAGE OR LOSS IN SHIPMENT: Coperion K-Tron is not responsible for damage or loss in transit and all such claims must be made by the purchaser directly to the carrier. Coperion K-Tron will assist insofar as practical in securing satisfactory adjustment of reasonable claims. Claims for shortages or incorrect equipment must be made in writing within thirty (30) days after receipt of the shipment by the purchaser, and failure to give Coperion K-Tron such written notice within said thirty (30) day period shall be an unqualified acceptance of the equipment and a waiver by the purchaser of any such claims.

14. RETURNING PRODUCTS: No Coperion K-Tron products are to be returned without first obtaining from Coperion K-Tron shipping instructions and a material return authorization. Returned products which Coperion K-Tron elects to accept for credit are subject to a minimum handling charge of fifteen percent (15%) of the sale price in addition to any transportation charges paid by Coperion K-Tron. All such products shall be properly packed to reach Coperion K-Tron without damage. Any cost incurred by Coperion K-Tron to put returned products in first class condition shall be charged to the purchaser.

15. NON-INFRINGEMENT: Coperion K-Tron will defend purchaser from and against any claim that a product infringes or misappropriates an unaffiliated third party’s existing U.S. patent, copyright or trade secret. Coperion K-Tron’s obligation to defend is subject to purchaser’s: (a) giving Coperion K-Tron prompt written notice of any such claim, demand or action within a fifteen (15) business days after purchaser becomes aware of the same; (b) allowing Coperion K-Tron to conduct the defense of the claim, including negotiations for settlement or compromise, provided that purchaser may (but shall not be required to) participate in such defense through separate counsel selected by purchaser at its sole expense; and (c) providing Coperion K-Tron with full information and reasonable assistance in conducting the defense of the claim at Coperion K-Tron’s expense. Coperion K-Tron will not defend purchaser to the extent such infringement arises as a result of: (a) the modification or alteration of products by anyone other than Coperion K-Tron or a person or entity working on Coperion K-Tron’s behalf; (b) the use of products in connection or in combination with equipment, devices or software not supplied by Coperion K-Tron; or (c) the use of products in a manner not in accordance with manuals or drawings provided. Coperion K-Tron shall not be responsible for any settlement reached by purchaser without Coperion K-Tron’s prior written consent. The foregoing provision states Coperion K-Tron’s entire liability and purchaser’s exclusive remedy with respect to any action based on the alleged infringement or misappropriation of the intellectual property rights of a third party.

16. MANUALS: Coperion K-Tron’s policy is to supply two (2) instruction-maintenance manuals on CD. (Each manual includes one set of drawings.) Additional manuals on CD and paper copies are available on an individually quoted basis.

17. DRAWINGS: Two copies or one reproducible dimension outline and interconnection drawing are supplied. Additional drawings are available on an individually quoted basis.

18. WARRANTY: COPERION K-TRON WARRANTS ALL COPERION K-TRON PRODUCTS AGAINST DEFECTS IN MATERIAL AND WORKMANSHIP FOR ONE (1) YEAR FROM THE DATE OF SHIPMENT. THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED (INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR PURPOSE OR NONINFRINGEMENT).

Coperion K-Tron warrants that all of its products as manufactured are in good working condition and consist of good quality material. Coperion K-Tron will furnish free of charge the part and labor to replace any part that fails because of defective materials or workmanship within the above stated warranty period. (Travel and living expense for all required service are charged based upon costs incurred.) This warranty shall be void if the product is damaged during shipment, has been altered, subjected to misuse or not installed per Coperion K-Tron documentation and instructions. This warranty does not apply to any component’s natural wear and tear. Except as otherwise provided herein, Coperion K-Tron does not guarantee any part or products to meet local, state, or national laws or regulations. Coperion K-Tron makes no warranty with respect to components or accessory equipment furnished that is not of its own manufacture. Coperion K-Tron agrees to repair or replace these components within the limits of the component manufacturers’ warranty.

In no event will purchaser be entitled to recover incidental, consequential, or special damages of any kind, whether or not resulting from or contributed to by the default or negligence of Coperion K-Tron, its agents, employees or subcontractors, which might be claimed as the result of the use or failure of the products. In no event will Coperion K-Tron’s liability for any claim exceed the purchase price of the products in question. Coperion K-Tron shall not be liable for any action, statement or inaction of any company or person acting as a sales agent of Coperion K-Tron unless such action, statement or inaction is affirmed in writing by Coperion K-Tron.

PURCHASER RESPONSIBILITY: All electrical equipment furnished under this contract shall conform to the latest applicable standards of the National Electrical Code as recommended by the National Fire Protection Association. However, when state, county, municipal, or local power company electrical codes may take precedence, those codes shall be brought to the specific attention of Coperion K-Tron in writing by purchaser. Electrical equipment for use in Canada can be manufactured under Canadian Standards Association recommendations, provided that Coperion K-Tron has been notified of such requirement and has agreed to such requirement in writing. Where provincial, municipal, or local power company electrical or safety conditions differ from the Canadian Standards Association recommendations, such conditions must be brought to the specific attention of Coperion K-Tron in writing by purchaser.

COPERION K-TRON LIABILITY is limited to the original purchase price of the Coperion K-Tron product. The foregoing warranty is in lieu of all other warranties or guarantees expressed or implied and of all other obligations or liabilities on the part of Coperion K-Tron, whether in contract, tort, or strict liability.