



CONDITIONS OF SALE

ACRO Automation Systems, Inc.
A Wisconsin Corporation

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1. CHANGES AND TERMINATION

This proposal may be either revoked entirely or changed by ACRO at any time and, in absence of revocation, shall expire within 30 days after the date on the front of this proposal.

2. ACCEPTANCE

All orders under this proposal are subject to final acceptance by ACRO at its main office in Milwaukee, Wisconsin. ACRO hereby objects to conditions stated in Purchaser's order that are inconsistent with and supplemental to the conditions of this proposal, and all inconsistent and additional terms or conditions shall be considered proposals for addition to the contract and are rejected by ACRO. Upon issuance of a purchase order, the Purchaser shall be deemed to have accepted these conditions unless Purchaser notifies ACRO, in writing, by separate and independent correspondence (other than the purchase order) the Purchaser is rejecting ACRO's Conditions of Sale and is offering to purchase only upon its own terms and conditions.

3. DELIVERY

ACRO's plant in Milwaukee, Wisconsin, shall be the place of performance where the equipment is delivered, and risk of loss passes to the Purchaser, and where payment becomes due.

4. GOVERNING LAW AND VENUE

The parties agree and understand that any agreement based upon this proposal will be governed by the laws of the State of Wisconsin without reference to its conflict of laws principles. The parties further agree that any claims, lawsuits or actions relating to any such agreement shall be brought exclusively in the Milwaukee County Circuit Court, in Milwaukee, Wisconsin, applying Wisconsin law, and hereby waive any objections to jurisdiction or venue in that court, including but not limited to objections based on improper venue or forum non conveniens.

5. TAXES

Sale, use, excise, property or similar taxes arising out of or relating to this order of the goods delivered are not included in the price, except as otherwise specifically stated in the invoice. All such taxes are the responsibility of the Purchaser. ACRO shall have the right at any time to separately bill the Purchaser for any such tax which ACRO may be called upon to pay.

6. PURCHASER'S RIGHT TO CANCEL ORDERS

Orders accepted by ACRO can be cancelled only with ACRO's consent, and if such consent is granted, then only upon payment of reasonable cancellation charges which shall be based on expense already incurred and commitments made by ACRO plus normal profit.

7. INSTALLATION

The equipment covered by this proposal shall be installed by and at the expense of the Purchaser, unless otherwise expressly stipulated. If the Purchaser requests that ACRO personnel be provided to supervise this installation, Purchaser will pay ACRO its standard charge for these services at a rate per day specified by ACRO, plus his traveling and living expenses while absent from the Home Office.

8. LIMITED WARRANTY

ACRO warrants to only the original Purchaser for all new machine purchases, that the equipment manufactured by ACRO will be free from defective material or workmanship for the applicable warranty period. The warranty period of the equipment will exist for one year from delivery, provided that the equipment receives proper maintenance, as specified by ACRO in the owner's manual that accompanies the machine and as documented by a customer machine maintenance log. This warranty does not apply to existing machines that have been re-tooled. During the warranty period, the Purchaser shall notify ACRO immediately of any defective parts, and ACRO shall thereupon provide the Purchaser with parts to replace the defect or defects. Labor costs to replace defective part(s) are not included as part of this warranty. ACRO shall in no event be held liable for damage or delay caused by defective parts and will not accept any charges for work performed by Purchaser in making adjustments or repairs to the equipment unless such work has been pre-authorized in writing by ACRO. Excluded from this limited warranty is damage caused by misuse, negligence, accident or casualty in addition to perishable or consumable parts which are considered wear items under normal use of the equipment. For any third party component or part of the equipment that has not been manufactured by ACRO, ACRO will pass along the manufacturers' warranty to the extent that ACRO is able to enforce such warranty. It is expressly understood that only ACRO manufactured components are covered by this limited warranty, whether sold independently or as part of sub-assemblies. **THIS LIMITED WARRANTY IS THE SOLE AND EXCLUSIVE WARRANTY MADE BY ACRO WITH RESPECT TO ANY EQUIPMENT OR PRODUCTS SUPPLIED BY ACRO AND IS GIVEN IN LIEU OF ANY OTHER WARRANTY. TO THE EXTENT ALLOWED BY APPLICABLE LAW, ANY AND ALL EXPRESS OR IMPLIED WARRANTIES NOT SET FORTH HEREIN ARE WAIVED AND DISCLAIMED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE. ACRO'S LIABILITY UNDER THIS LIMITED WARRANTY IS LIMITED SOLELY TO THOSE LIABILITIES SET FORTH ABOVE. IN THE EVENT THAT ANY PROVISION OF THIS LIMITED WARRANTY SHOULD BE OR BECOME INVALID OR UNENFORCEABLE UNDER APPLICABLE LAW, THE REMAINING TERMS AND CONDITIONS HEREOF SHALL REMAIN IN FULL FORCE AND EFFECT.**

9. LIMITATION OF CONSEQUENTIAL DAMAGES AND INDEMNIFICATION

Purchaser acknowledges that there are hazards associated with the use of the products and equipment offered by ACRO, and agrees that Purchaser's staff that may use or handle ACRO products are aware of those hazards and that Purchaser will assume full responsibility for warning their employees and independent contractors of all such hazards. Purchaser shall use and shall require its employees to use safety devices, guards, and proper safe operating procedures. Purchaser shall not remove or modify safety devices, guards or warning signs. Purchaser shall not permit any person other than required operating personnel to remain within ten feet of a machine or accessory manufactured by ACRO during operation thereof. Other than its responsibilities under the Limited Warranty set forth above, ACRO shall not be subject to liability for any damages related to the products and equipment supplied to Purchaser or any undertakings, acts, or omissions relating thereto, whether caused by ACRO's breach of contract, breach of warranty, tort (including negligence and strict liability) or claimed under any other theories of law. Without limiting the generality of the foregoing, ACRO specifically disclaims any liability for property or personal injury

damages penalties, special or punitive damages or lost profits or revenues, loss of use of product or any associated equipment, cost of capital, cost of substitute products, facilities or services, down-time, shut-down, or slow-down costs, or for any other type of economic loss and for any claims of Purchaser's Customers or any third party for such damages. ACRO shall not be liable for and disclaims all consequential, incidental and contingent damages whatsoever. Purchaser shall indemnify ACRO from and against any and all losses, damages and expenses (including attorney's fees and other costs incurred defending any action) that ACRO may sustain or incur as a result of any claim of breach of contract, tort (including negligence, breach of implied warranty, strict liability in tort) or other theories of law, by Purchaser, its officers, agents, or employees, its successors and assigns, and its customers, or other persons, whether direct or indirect, in connection with the use of the products and equipment furnished hereunder.

10. ACCIDENT REPORTS AND INDEMNITY

Purchaser shall notify ACRO promptly, and in any event within ten (10) days of any accident or malfunction involving ACRO's products which results in personal injury or damage to property, and shall cooperate fully with ACRO in investigating and determining the cause of such accident or malfunction. In the event that Purchaser fails to give such notice to ACRO and to so cooperate, Purchaser agrees to indemnify and save ACRO harmless from any claims arising from such accident or malfunction.

11. INFRINGEMENT

ACRO shall defend at its own expense any suit or proceeding brought against the Purchaser that is based on a claim that any equipment, or any part thereof, made by ACRO and furnished under this proposal constitutes an infringement of any patent issued by the United States Patent Office, if notified promptly in writing and given authority, information and assistance for the defense of same. No responsibility whatever is assumed for violation of patents covering products produced by the equipment nor for any infringement arising from conjoint use of the equipment furnished hereunder with other apparatus, and in the event that ACRO is held liable by reason of such products and/or such conjoint use, the Purchaser shall assume all damages and costs, if any, assessed against ACRO. In case the equipment or any part thereof is in such suit held to constitute infringement and its use is enjoined, ACRO may, at its own expense, either procure for the Purchaser the right to continue using said equipment, or replace same with non-infringing equipment, or modify it so it becomes non-infringing. No liability, other than that expressed above, is assumed by ACRO.

12. DELAYS

ACRO shall not be liable for loss, damage, detention or delay resulting from causes beyond its reasonable control, or caused by fire, strike, insurrection or riot, embargoes, car or truck shortages, wrecks or delays in transportation, or the inability to obtain supplies or raw materials due to any United States Government regulations or contracts. Receipt of the equipment by the Purchaser upon its delivery shall constitute a waiver of all claims for loss or damage due to delay.

13. ACRO'S RIGHT OF REPOSSESSION

If this equipment is not paid for upon delivery, ACRO shall have a right to repossess the equipment upon demand until all payments (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash to ACRO, and the Purchaser agrees to do all acts necessary to deliver to ACRO the equipment upon ACRO's demand. Repossession by ACRO shall not relieve Purchaser from its liability to ACRO for breach of this contract, non-payment and all attendant damages.

14. LACK OF AUTHORITY TO VARY THE TERMS OF THIS PROPOSAL

No agent, representative, or dealer has any authority to obligate ACRO by any terms, stipulations or conditions not herein expressed.

15. NO WORKING DRAWINGS

Nothing in this proposal shall be interpreted as an understanding or agreement that detailed or shop working drawings or patterns shall be furnished of any part of equipment offered.

16. TESTING

Material or equipment necessary for special testing shall be furnished by the Purchaser without cost to ACRO, and ACRO at its option may charge for any special testing.

17. NO RETURNS

Equipment or parts cannot be returned without written authorization and instructions from ACRO.

18. DELIVERY DATES APPROXIMATE

Shipping dates indicated in our proposal are approximate and are based on the acceptance of the order with complete engineering and manufacturing information at ACRO's home office in Milwaukee, Wisconsin.

19. SHIPPING WEIGHTS ESTIMATED

Weights given are estimated for the total materials required for the manufacture of the equipment.

20. CORRECTIONS

All typographical and clerical errors are subject to correction.