

Terms and Conditions of Sale

Michigan SoilWorks

In these Terms and Conditions of Sale, "Seller" means Michigan SoilWorks, a.k.a. Lonowski LLC, and "Buyer" means the person, firm, company or corporation by whom the order is given.

QUOTATION AND PRICES

Seller's quotation is valid for thirty days after date of issue unless previously withdrawn. Quotations are exclusive of taxes, duties, or other charges arising in connection with the order. Quotations are for Goods delivered including itemized freight and insurance unless otherwise stated in the Seller's Order Acknowledgement.

ORDERS

All orders are accepted subject to these Terms and Conditions of Sale. No terms, warranties, or other statements not contained in Seller's Order Acknowledgement shall be binding on Seller. Orders are accepted upon receipt of deposit payment indicated on Quotation and such orders are effective as of the date indicated on Seller's Order Acknowledgement. If the details of the Goods or Services described in Seller's quotation differ from those set out in the Order Acknowledgement the latter shall apply. Alterations to the order shall apply only as indicated in a revised Order Acknowledgement. Seller reserves the right to effect minor modifications and/or improvements to the Goods before delivery.

PAYMENT

Payment shall be made in full in the currency of Seller's Order Acknowledgement prior to release for shipment. Deposits and intermediate payments if applicable shall be made as specified on the Order Acknowledgement and Receipts. Failure of Buyer to make payment in full at the time of shipment may result in forfeiture of any partial deposit payments made in placing the order and cancellation of order.

DELIVERY

All periods stated for delivery run from the Effective Date and are estimates only with no contractual obligation. If Seller is delayed in performing any of its obligations due to the acts or omissions of Buyer or its agents, including information needed by Seller to proceed expeditiously, the delivery/completion period may be adjusted accordingly. If delivery is delayed due to any act or omission of Buyer, or if having been notified that the Goods are ready for dispatch, Buyer fails to take delivery or provide adequate shipping instructions, Seller shall be entitled to place the Goods into a suitable store at Buyer's expense and the delivery shall be deemed to be complete.

FORCE MAJEURE

Force Majeure of any kind, unforeseeable production, traffic or shipping disturbances, war, acts of terrorism, fire, floods, unforeseeable shortages of labor, utilities or raw materials and supplies, strikes, lockouts, acts of government, and any other hindrances beyond the control of the party obliged to perform which diminish, delay or prevent production, shipment, acceptance of the goods, or make it an unreasonable proposition, shall relieve the party from its obligation to supply or take delivery, as the case may be, as long as and to the extent that the hindrance prevails. If, as a result of the hindrance, supply and/or acceptance is delayed by more than twelve weeks, either party shall have the right to cancel the order. Should the Seller's suppliers fail to supply him in whole or in part, the Seller shall not be under obligation to purchase from other sources. In such cases, the Seller shall have the right to distribute the available quantities among its customers while at the same time considering its own captive requirements.

DELIVERY, RISK & TITLE

Unless otherwise expressly stated in the Order Acknowledgement, the Goods will be delivered Ex Works. Risk of loss or damage to the Goods shall pass to Buyer upon delivery as aforesaid and Buyer shall be responsible for insurance of the Goods after risk has so passed. Title to the Goods shall pass to Buyer upon aforesaid delivery. Claims for incorrect delivery shall be void if made more than 14 days after receipt by the buyer.

WARRANTY

Seller warrants good title to and unencumbered use of the Goods. Seller warrants that Goods manufactured by Seller and/or Seller's Affiliates shall conform with Seller's specifications and be free of defects in materials and workmanship. Seller will make good by the supply of replacement parts any defects to moving parts and electrical components which, under proper use, care and maintenance, appear in Goods and which are reported to Seller within 24 calendar months after their delivery (the "Warranty Period") and which arise solely from faulty materials or workmanship. Items claimed as defective by Buyer are to be returned to Seller at Buyer's cost, carriage and insurance prepaid, within the Warranty Period. Upon inspection of returned items Seller may agree to credit Buyer for such costs incurred. Repaired or replaced items will be delivered by Seller at Seller's cost to Buyer. Goods replaced shall be subject to the foregoing warranty for the unexpired portion of the Warranty Period or for ninety days from the date of their return to Buyer, whichever expires the later. Seller shall not be liable for any defects caused by fair wear and tear, materials or workmanship furnished or specified by Buyer, non-compliance with Seller's storage, installation, operation or environmental requirements, lack of proper maintenance, or any modification or repair not previously authorized by

Seller in writing. Seller's costs incurred in investigating and rectifying such defects shall be paid by Buyer upon demand. Subject to Clause 10, the foregoing constitutes Seller's sole warranty and Buyer's exclusive remedy for breach thereof. No representations, warranties or conditions of any kind, express or implied, shall apply as to satisfactory quality, merchantability, fitness for any particular purpose with respect to any of the Goods.

INTELLECTUAL PROPERTY

Buyer acknowledges that Lonowski LLC retains all present and future rights, title and interest to its Intellectual Property, including but not limited to all inventions and improvements, patents, trademarks, copyrights, trade secrets, know-how, design products contained as images or data in whole or in part, and any other proprietary rights in its Products and Services. These are protected by the laws of the United States and other countries in which they are made available. Buyer agrees to prevent any unauthorized copying, use or distribution of the Seller's Intellectual Property. No rights, express or implied, are granted to Buyer. Buyer warrants that any design or instructions furnished by it shall not cause Seller to infringe any Intellectual Property rights in the performance of Seller's obligations and shall indemnify Seller against all reasonable costs and damages which Seller may incur as a result of any breach of such warranty.

NON-COMPETE

Buyer agrees that it shall not, directly or indirectly, in any individual or representative capacity, engage or participate in the development or sale of goods that are substantially similar to, or perform any of the same or similar functions as, the Goods sold by the Seller to Buyer hereunder, for a period of five (5) years following delivery of the Goods to Buyer within the Buyer's country or countries of operation, without the prior written consent of Seller, which consent may be granted or withheld in Seller's sole discretion.

LIMITATION OF LIABILITY

Seller's maximum aggregate liability for any and all losses, liabilities, expenses (including legal expenses), damages, claims or actions incurred in connection with a specific order, arising by virtue of breach of contract, tort (including negligence), misrepresentation, breach of statutory duty, strict liability, infringement of intellectual property rights or otherwise, shall in no circumstances exceed a sum equal to the total price of the specific order.

COMPLIANCE WITH LAWS

Buyer agrees that all applicable import, export control and sanctions laws, regulations, orders and requirements, as they may be amended from time to time, and the jurisdictions in which Seller and Buyer are established or from which items may be supplied, and the requirements of any licenses, authorizations, or license exceptions relating thereto will apply to its receipt and use of goods. In no event shall Buyer use, transfer, release, or export any such goods in violation of such applicable laws, regulations, orders or requirements. Buyer agrees furthermore that it shall not engage in any activity that would expose the Seller to a risk of penalties under laws and regulations of any relevant jurisdiction prohibiting improper payments, including but not limited to bribes, to officials of any government or of any agency, instrumentality or political subdivision thereof, to political parties or political party officials or candidates for public office, or to any employee of any customer or supplier. Buyer agrees to comply with all appropriate legal, ethical and compliance requirements.

DEFAULT, INSOLVENCY AND CANCELLATION

Seller shall be entitled, without prejudice to any other rights it may have, to cancel the Contract forthwith, wholly or partly, by notice in writing to Buyer, if (a) Buyer is in default of any of its obligations under the Contract and fails, within 30 (thirty) days of the date of Seller's notification, either to rectify such default or to take action to remedy the default, or (b) on the occurrence of an Insolvency Event in relation to Buyer. "Insolvency Event" in relation to Buyer may include a meeting of creditors of Buyer, a receiver being appointed, Buyer ceasing to carry on business or pay its debts, notice of intention for a court-appointed administrator, a petition for the bankruptcy or dissolution of Buyer, or other events analogous to any of the above in any jurisdiction in which it is incorporated or carries on business or has assets. Seller shall be entitled to recover from Buyer or Buyer's representative all costs and damages incurred by Seller as a result of such cancellation, including a reasonable allowance for overheads and profit (including but not limited to loss of prospective profits and overheads).

MISCELLANEOUS

If any clause or provision is invalid under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Terms and Conditions of Sale. Buyer shall not be entitled to assign its rights or obligations hereunder without the prior written consent of Seller. The agreement shall in all respects be construed in accordance with the laws of the State of Michigan, USA excluding, however, any effect on such laws for the International Sale of Goods, shall be without regard to any conflict of laws or rules which might apply the laws of any other jurisdiction. All disputes shall be subject to the exclusive jurisdiction of the Michigan courts. All notices and claims must be in writing.