TERMS AND CONDITIONS OF SALE AND WARRANTY

GENERAL - These terms and conditions of sale and warranty, and the Dover Hydraulics Quote or Order Acknowledgement to which they have been incorporated by reference, shall constitute the final, complete and exclusive statement of this contract and may not be modified or rescinded, except by a written instrument signed by the parties. As an offer, the Dover Hydraulics Quote or Order Acknowledgement expressly limits acceptance to these terms and conditions. As an acceptance of the Purchaser's offer, this acceptance is expressly conditioned on the Purchaser's assent to any additional or different terms contained herein. As a confirmation of an existing contract, the parties agree that the Dover Hydraulics Quote or Order Acknowledgement and these terms and conditions of sale and warranty constitute the final, complete and exclusive terms and conditions of the contract between the parties. Any varying, differing or additional terms and conditions contained in the Purchaser's purchase order, request for quotation or elsewhere in any other document shall not be binding upon STS Operating, Inc. d/b/a Dover Hydraulics (the "Seller").

DISCLAIMER OF WARRANTIES AND LIMITATIONS OF LIABILITY –

(a) SELLER EXPRESSLY DISCLAIMS ALL WARRANTIES EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY & FITNESS FOR A PARTICULAR PURPOSE.

(b) Seller hereby assigns to Purchaser any rights it may have under any warranty extended by a third party covering a product or component sold by Seller to Purchaser. Materials manufactured by others and resold by Seller do not carry any additional warranty by Seller.

(c) Seller shall not be liable under any circumstances for consequential, incidental, indirect or remote damages. No claim by Purchaser hereunder, whether relating to goods delivered or for non-delivery, shall be greater than the purchase price of the goods in respect to which such claim is made.

(d) Any "custom conversion" or adaptation hereunder is pursuant to the Purchaser's specific request, and the Seller shall bear no risk of loss resulting therefrom.

(e) Seller's warranty shall not apply to any product or component which has been repaired, modified or altered outside of Seller's locations in any manner or has been installed or used in a manner contrary to the original manufacturer's printed instructions. In the event Purchaser modifies the goods sold hereunder without the express written consent of Seller, Purchaser agrees to indemnify and hold Seller harmless from any and all claims, demands, actions or causes of action or costs or expenses incurred thereby.

(f) Purchaser is solely responsible for the design, selection and application of fabricated equipment, products, components and materials purchased from Seller. Any drawings, specifications, or information prepared by or furnished by Seller are for reference purposes only, and Seller makes no warranty or representations concerning the accuracy of such materials or information. Seller has no responsibility for the design, selection and application of products, components and materials purchased by Purchaser.

(g) The foregoing limitations on Seller's liability shall also be the absolute limit of Seller's liability for negligence or defect in the manufacture, installation or other action with respect to the articles sold hereunder.

(h) Seller has made preliminary tests of any software included within this order, to assure that any computer programs and documentation, part programs, programming manuals and the like (herein called "Software Materials") supplied to Purchaser are operative for the purposes intended. However, because users of Software Materials may employ them in applications outside the scope of those originally contemplated, and because defects in Software Materials cannot with absolute certainty be detected and removed prior to actual machine or equipment operation, within six months from the date of delivery to Purchaser of any item of Software Materials, Seller will supply free of charge a corrected version of that item under the following conditions: (i) only if the Purchaser provides Seller with a detailed description of the problem or difficulty which has been experienced and (ii) only if the correction does not entail the creation of new Software Materials to serve a function not intended to be served by the original Software Materials. Purchaser shall have no rights under this subparagraph in the event if any changes are made or attempted to be made, in any Software Materials by Purchaser.

(h) Any fabricated product or fabricated part thereof covered by this quotation which, under normal operating conditions on the part of the Purchaser proves defective in material or workmanship within one (1) year from the date of shipment by Seller, as determined by an inspection by Seller, will be replaced or repaired, at Seller's option, at Seller's facility, free of charge provided that Purchaser promptly sends to Seller notice of the defect and establishes that the product has been properly installed, maintained and operated within the limit of rated and normal usage. This warranty, as it relates to electronic control units, only applies if the Purchaser has in its employ qualified maintenance personnel. If Purchaser ships or requests that Seller ship electronic control console units by other than air-ride common carrier truck, all warranties relating thereto shall be void. Components purchased by Seller are warranted by and in accordance with the individual manufacturer's warranties, if any, not those of Seller. If an article is claimed to be defective in material or workmanship or not to conform to specifications, Seller, on written notice, shall at Seller's option either examine the article at its site or issue authorization for return to Seller. In the event such article is returned to Seller, Purchaser shall be solely responsible for all costs and expenses associated with such shipment and Purchaser shall bear risks of loss or damage to goods while in transit. If an article is claimed to be defective in material or workmanship or not to conform to specifications, Seller, on written notice, shall at Seller's option either examine the article at its site or issue authorization for return to Seller. In the event such article is returned to Seller, Purchaser shall be solely responsible for all costs and expenses associated with such shipment and Purchaser shall bear risks of loss or damage to goods while in transit.

PURCHASER'S USE AND OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA) –

(a) It is Purchaser's responsibility to provide all proper dies, devices, tools and means that may be necessary to effectively protect all personnel from all bodily injury which otherwise may result from the method of particular use, operation, set-up or service of the Seller's products. If supplied or required, the operator's manual or machine manual, all applicable Safety Standards, OSHA regulations, other sources and other applicable regulations should be consulted to protect personnel.

(b) The proposed equipment or goods may not be used without all recommended or included safety devices.

SPECIFICATIONS - Equipment quoted shall not be subject to any other specifications, which are not stated on the face of the quotation and in the manufacturer's catalog. Voltage, phase, frequency and power limitations must be specified by Purchaser.

FIELD ENGINEER SERVICES/INSTALLATION - Unless otherwise specifically indicated, the quoted prices DO NOT include the services of Seller's field engineer to supervise the installation of equipment and instruct the operator in its proper use.

PROPERTY AND PATENT RIGHTS –

(a) Seller retains for itself any and all property rights, including but not limited to all patent, copyright, and trade secret rights, to the Software Materials and to all designs, engineering details, documentation, and other data pertaining to any equipment designed in connection herewith and to all right of discovery, invention or patent rights arising out of the work done in connection herewith. Purchaser expressly agrees that it will not assert any property rights herein, except the right for itself and subsequent owners to use the equipment.

(b) Seller grants Purchaser a nonexclusive and nontransferable license to use one copy of the Software Materials for its own internal purposes for a term of 99 years. Pursuant to such license, Purchaser shall have the right to copy the Software Materials solely for back-up and archival purposes. Purchaser expressly agrees that it will not assert any property rights herein, except the right for itself and subsequent owners to use the equipment.

(c) Purchaser acknowledges that the Software Materials constitute valuable trade secrets of Seller and are unpublished works on which Seller, or Seller's vendor, holds the sole and exclusive copyright. Purchaser agrees to maintain and protect the confidentiality of these trade secrets and agrees not to disclose them or use them for any purpose not contemplated by this Agreement. Purchaser agrees to formulate and adopt appropriate safeguards in light of its own operating activities, to insure protection of the confidentiality of these trade secrets. Purchaser shall immediately notify Seller of any information which comes to its attention which indicates that there has been any loss of confidentiality of Seller's trade secret information.

DELAYS - Seller shall not be liable for damages or delays in performance due to circumstances beyond its reasonable control, including without limiting the generality of the foregoing, any priority system established by any agency of the United States Government, acts of God, accidents, strikes, insurrections, war, shortage of materials, lack of transportation and failure of performance of subcontractors or suppliers for similar reasons. Failure of Seller to perform for these reasons shall not be grounds for Purchaser's cancellation of its order but the delivery date shall be extended accordingly.

MISCELLANEOUS –

(a) This Agreement may not be assigned or otherwise transferred by Purchaser without the prior written consent of Seller, and any such prior written consent shall be null and void and of no force or effect whatsoever.

(b) Seller's failure to insist, in one or more instances, upon the performance of any term hereunder shall not be construed as a waiver or relinquishment of its right to such performance or the future performance of such term and Purchaser's obligation with respect thereto shall continue in full force and effect.

(c) Any notice or other communication required or permitted hereunder shall be sufficiently given if sent in writing by registered or certified mail, postage prepaid, to the other party thereto at its respective address contained herein. Seller's address is 2301 Windsor Court, Addison, IL 60101. Any such notice, if so mailed, shall be deemed to have been received on the third business day following such mailing. Either party hereto may change its address for notice purposes by written notice to the other party.

(d) The invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity or enforceability of any other of its provisions.

INDEMNIFICATION –

(a) Purchaser agrees to defend, indemnify and hold harmless the Seller, its parent and affiliates, and their officers, agents and employees, against all claims, losses, expense and causes of action of every kind, made or asserted by any third party arising out of, or in connection with this Agreement or the article(s) sold hereunder.

(b) Purchaser agrees to indemnify Seller for all costs incurred by Seller, including legal fees and court costs, as a result of any claim brought against Seller arising from Purchaser's conduct, including, but not limited to, Purchaser's misuse of the product or, for any custom-designed product, design decisions or product choices made by Purchaser.

WAIVERS –

(a) Purchaser hereby waives, for itself and for any and all persons who may assert a claim or lien in Purchaser's place or stead, whether by subrogation or otherwise, any and all liens or claims of lien against the Seller for payments made by Purchaser's Workman's Compensation insurance carrier to Purchaser's employees for injuries alleged to have been caused by any article sold hereunder.

(b) Purchaser hereby waives, for itself and for any and all persons who may assert a claim or lien in Purchaser's place or stead, whether by subrogation or otherwise, any and all claims against Seller for contribution or for indemnity, whether such claims arise under contract, statute, common law, or otherwise.

TAXES - All applicable federal, state or local sales, use, occupational, excise, export, import or like taxes now in force or enacted in the future are the responsibility of the Purchaser and shall be in addition to the price or prices stated on the reverse side of this document. Unless otherwise specifically stated, Seller shall have the right to invoice separately any such tax as may be imposed at a later time. Applicable tax exemption certificates must accompany any order to which the same applies.

PAYMENT TERMS, UNLESS OTHERWISE STATED ON REVERSE SIDE -

(a) As determined by Seller's credit department.

(b) F.O.B. Shipping Point and Purchaser assumes all risk and liability for loss, damage, or destruction after delivery of the product to the carrier.

(c) For any payment made more than thirty (30) days past invoice date, Purchaser agrees to pay interest on the unpaid balance at the rate of 1.5% (18% per annum) or the maximum allowed by law if less than 1.5% (18% per annum) plus any costs of collection and any costs associated with the purchase money security interest, including filing fees, legal fees and court costs.

(d) Prices are subject to increase, upon notice by Seller, due to taxes, tariffs, duties, and manufacturer price increases.

TITLE - Title shall pass to Purchaser upon delivery of the product to the carrier. Purchaser assumes all risk and liability for loss, damage, or destruction after delivery of the product to the carrier.

RETURNS - Return of any merchandise must be authorized in writing by Seller, have Seller's "authorized material return" Return Goods Authorization (RGA) number and be accompanied by a copy of original packing slip verifying shipment from Seller's plant or warehouse. Any request to return goods must be made within ten (10) days from the receipt of the goods by Purchaser. Returned goods must be in first class saleable condition, in their original container, shipment prepaid. Subject to the limitations of Seller's Warranty, if goods are returned because of an error acknowledged by Seller, Seller will remedy any such error without expense to the Purchaser. Components, systems and Software Materials designed to meet Purchaser's unique requirements or specifications are not returnable. Nonstandard or used material shall not be subject to return. Unless otherwise expressly agreed, an order for equivalent value must accompany returned merchandise and all such merchandise is accepted for credit only after factory inspection. Purchaser returning merchandise must pay transportation charges and bear risks of loss or damage to goods while in transit.

RE-STOCKING CHARGES - A minimum 15% of invoice shall be charged for all material returned to Seller.

CANCELLATION – Notwithstanding Non-Cancellable and Non-Returnable items, in the event Seller grants Purchaser cancellation of an order or any part thereof, cancellation charges shall be paid by Purchaser to Seller as follows:

(a) Any and all work that is complete or scheduled for completion within thirty (30) days of the date of cancellation granted by Seller shall be invoiced to Purchaser and paid in full.

(b) For work-in-process, other than covered by Item (a) above, and any materials and supplies procured, or for which definite commitments have been made by Seller in connection with Purchaser's order, the Purchaser shall pay the actual costs and overhead expenses determined in accordance with Seller's normal accounting practices, plus a minimum of fifteen (15%) percent, upon invoicing.

(c) All costs of storage, insurance, hauling, boxing or other costs in connection with material owned by Purchaser but on hand at Seller's premises on account of cancellation shall be borne by the Purchaser.

NON-CANCELLABLE AND NON-RETURNABLE ITEMS – Non-Cancellable and Non-Returnable items may only be returned or cancelled upon the express written approval of Seller. If no such approval is granted, Purchaser remains responsible for payment of any and all invoices relating to such items. Any customized fabricated system sold to Purchaser shall be non-cancellable, non-returnable.

DRAWINGS - Drawings will be provided by Seller only upon special request of Purchaser and subsequent approval of Seller.

(a) Seller may provide reproducible copies of specification sheets, which list all assemblies and components. Pertinent assembly drawings will be included in the instruction manual.

(b) Seller may provide original layout drawings, complete fixture drawings and lubrication diagrams with related information.

MACHINE FOUNDATIONS - If standard foundation drawings are supplied, they will include plan and elevation views. Due to many variations in solid type, adjacent equipment, workmanship, etc. foundation depth is a suggestion only. The foundation is not guaranteed and Seller shall not be responsible for any damage which may result from an inadequate or insufficient foundation.

COMPLETE AGREEMENT - This agreement constitutes the entire Agreement between the parties and cancels and supersedes all previous agreements and price quotations, if any, between the parties. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument signed by Purchaser and Seller.

APPLICABLE LAW - This Agreement, and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the State of Illinois. THE JURISDICTION AND VENUE OF ANY LEGAL PROCEEDINGS FOR THE RESOLUTION OF DISPUTES ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY SALE BY SELLER TO PURCHASER SHALL BE IN THE FEDERAL OR STATE COURTS SITTING IN DUPAGE COUNTY, ILLINOIS. PURCHASER HEREBY SUBMITS TO THE JURISDICTION OF ALL SUCH FEDERAL AND STATE COURTS SITTING IN DU PAGE COUNTY, ILLINOIS.

The signature below represents acceptance of these terms for all sales of product from this date forward.

_____

Company Name

_____

Authorized Company Representative - Sign and Date