

SUPPLY NETWORK, INC. D/B/A VIKING SUPPLYNET
Standard Terms and Conditions of Sale

The terms set forth in this form are the sole terms for the sale of goods and services by Supply Network, Inc. d/b/a Viking SupplyNet ("VSN"), unless otherwise specifically provided for by VSN in this document, and shall apply to the exclusion of any inconsistent or additional terms contained in Buyer's order or acknowledgment or otherwise proposed by Buyer. Buyer's acceptance of these terms shall be conclusively presumed by Buyer's submission of a purchase order to VSN, or by Buyer's acceptance of delivery of, or payment for, the goods and services. Any contract made for the sale of goods or services by VSN is expressly conditional on Buyer's assent to the terms stated in this document. VSN objects to any additional or inconsistent terms proposed by Buyer.

1. **Price/Delivery.** VSN's goods and services are sold at the prices in effect on the date of the order, and are subject to change without notice. Unless otherwise specified on VSN's order acknowledgement, price and delivery terms are FOB place of shipment (VSN's or consignee's plant or warehouse as selected by VSN in its reasonable discretion), and such prices do not include sales, use or other taxes, all of which shall be paid and/or absorbed by Buyer, who shall indemnify VSN against all claims and liabilities therefor. Title shall pass upon delivery of the goods to the carrier at FOB point, and thereafter all risk of loss or damage shall be borne by Buyer. Shipments direct from a manufacturer or supplier are subject to that manufacturer's or supplier's standard freight terms, and the Buyer shall be responsible for all such charges.

2. **Payment.** Unless otherwise provided in an invoice issued by VSN, payment terms are net 45 days from the date of invoice. Invoices not paid within 45 days shall have a service charge added to the amount due of one and one-half percent (1-1/2%) per month on the highest interest rate allowable by law.

3. **Inspection/Acceptance/Return.** Buyer may not return any goods, under warranty claim or otherwise, without first reporting to VSN the reasons for such return and first obtaining and then observing such reasonable instructions as VSN may give in authorizing any return. All returns must be accompanied by a valid VSN RMA (return material authorization). Material accepted for return is subject to a minimum 20% restocking fee, or the standard restocking fee charged by the manufacturer or supplier on returns to them. Returned material must be unused or not installed, in its original packaging, and of current design. Sprinkler heads must be in unopened original packaging. Any returned material not in this condition is subject to additional charges to cover inspection, handling, repackaging, refurbishment, or any other expenses incurred by VSN in accepting the material. VSN may deny credit on returned merchandise not meeting these requirements.

4. **Special Order Items.** Purchase orders which include special order items, must contain both the manufacturer's item number and a full description. Manufacturer's and supplier's terms and conditions may apply. Special items cannot be cancelled or returned unless agreed to by the manufacturer of such items. Cancellation fees and payment for any materials used and labor expended in manufacturing the order will apply.

5. **DISCLAIMER OF WARRANTY.**

a. TO THE EXTENT THAT VSN PROVIDES FABRICATION SERVICES DIRECTLY TO BUYER, VSN WARRANTS SOLELY THAT IT WILL PROVIDE SUCH SERVICES ACCORDING TO THE SPECIFICATIONS PROVIDED BY BUYER, AND SPECIFICALLY DISCLAIMS ANY AND ALL OTHER WARRANTIES WITH REGARD TO SUCH SERVICES PROVIDED BY VSN. BUYER ACKNOWLEDGES THAT BUYER IS NOT RELYING ON VSN IN ANY WAY FOR DESIGN OR ENGINEERING WITH RESPECT TO THE GOODS OR THE ADEQUACY OF THE SPECIFICATIONS PROVIDED BY BUYER. BUYER'S RESPONSIBILITY SHALL INCLUDE, BUT NOT BE LIMITED TO, RESPONSIBILITY FOR DETERMINING SUITABILITY OF GOODS AND SERVICES PROVIDED BY VSN AND THEIR COMPLIANCE WITH SYSTEM DESIGN REQUIREMENTS WHEN INTEGRATED INTO A SYSTEM. BUYER SHALL DEFEND INDEMNIFY AND HOLD VSN HARMLESS AGAINST ALL PRODUCT LIABILITY, PRODUCT RECALL, AND OTHER CLAIMS, LIABILITIES AND EXPENSES, INCLUDING BUT NOT LIMITED TO ACTUAL ATTORNEY'S FEES, INCURRED BY VSN ARISING OUT OF ANY CLAIMED DESIGN OR ENGINEERING DEFECT RELATING TO SPECIFICATIONS PROVIDED BY BUYER TO VSN. TO THE EXTENT THAT SUCH FABRICATION SERVICES ARE CONTRACTED BY VSN THROUGH VIKING FABRICATION SERVICES LLC, IN THE EVENT THAT BUYER HAS A CLAIM RELATED TO SUCH FABRICATION SERVICES, BUYER SHALL BE BOUND TO THE THEN-CURRENT TERMS AND CONDITIONS OF SALE OF VIKING FABRICATION SERVICES LLC AVAILABLE AT WWW.VIKINGGROUPINC.COM, WHICH TERMS AND CONDITIONS ARE HEREBY INCORPORATED HEREIN IN THEIR ENTIRETY AND MADE A PART OF THESE TERMS AND CONDITIONS. TO THE EXTENT THAT SUCH FABRICATION SERVICES ARE CONTRACTED BY VSN THROUGH A THIRD PARTY FABRICATOR, BUYER CONSENTS AND AGREES THAT ALL CLAIMS OF BUYER WITH RESPECT TO SUCH FABRICATION SERVICES SHALL BE MADE DIRECTLY BY BUYER TO SUCH THIRD PARTY FABRICATOR, AND VSN HEREBY DISCLAIMS ALL WARRANTIES WITH REGARDS TO SUCH THIRD PARTY FABRICATION SERVICES. IN THE EVENT THAT BUYER HAS SUCH A CLAIM AGAINST A THIRD PARTY FABRICATOR, BUYER SHALL CONTACT THE THIRD PARTY FABRICATOR DIRECTLY.

b. BUYER ACKNOWLEDGES THAT ALL GOODS SOLD BY VSN ARE ACQUIRED THROUGH THIRD PARTY MANUFACTURERS. BUYER ACKNOWLEDGES THAT ANY WARRANTY FOR PRODUCTS ACQUIRED THROUGH VSN IS LIMITED TO THE WARRANTY PROVIDED BY THE MANUFACTURER OF THE GOODS ACQUIRED. BUYER CONSENTS AND AGREES THAT ALL CLAIMS OF BUYER WITH RESPECT TO THE CONDITION OR PERFORMANCE OF SUCH GOODS SHALL BE MADE DIRECTLY BY BUYER TO SUCH MANUFACTURERS. VSN HEREBY DISCLAIMS ALL WARRANTIES WITH REGARDS TO SUCH GOODS. IN THE EVENT THAT BUYER HAS SUCH A CLAIM, BUYER SHALL CONTACT MANUFACTURER DIRECTLY. IN THE EVENT THAT BUYER HAS SUCH A CLAIM RELATED TO GOODS SOLD BY VSN WHICH GOODS ARE MANUFACTURED BY THE VIKING CORPORATION, BUYER SHALL BE BOUND TO THE THEN-CURRENT TERMS AND CONDITIONS OF SALE OF THE VIKING CORPORATION AVAILABLE AT WWW.VIKINGGROUPINC.COM, WHICH TERMS AND CONDITIONS ARE HEREBY INCORPORATED HEREIN IN THEIR ENTIRETY AND MADE A PART OF THESE TERMS AND CONDITIONS.

c. NOTWITHSTANDING ANY OTHER PROVISION IN THIS DOCUMENT, BUYER EXPRESSLY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. **Force/Majeure.** VSN and Buyer assume the non-occurrence of the following contingencies which, without limitation, might render performance by VSN impractical: acts of God, governmental actions, terrorist acts, utility interruptions, strikes, riots, fires, war, assertions by third parties of infringement claims, late or non-delivery by suppliers to VSN, and all other contingencies beyond the reasonable control of VSN.

7. **NO CONSEQUENTIAL DAMAGES.** UNDER NO CIRCUMSTANCES WHATSOEVER SHALL VSN BE LIABLE FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE AND WHETHER BASED UPON LOST GOODWILL, LOST RESALE PROFITS, LOSS OF USE OF MONEY, WORK STOPPAGE, IMPAIRMENT OF OTHER ASSETS, OR OTHERWISE AND WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, STRICT LIABILITY IN TORT, NEGLIGENCE, MISREPRESENTATION, OR OTHERWISE, EXCEPT ONLY IN THE CASE OF PERSONAL INJURY WHERE APPLICABLE LAW REQUIRES SUCH LIABILITY.

8. **Governing Law.** Michigan law shall govern all transactions to which these standard terms and conditions apply. VSN and Buyer agree that any action arising out of the sale of goods or services in accordance with this document will be brought, heard and decided in Kent County, Michigan. Buyer submits to personal jurisdiction in Michigan.

9. **Buyer's Design Responsibility.** Buyer acknowledges that VSN's goods are produced or provided according to Buyer's specifications. Buyer acknowledges that Buyer is not relying on VSN in any way with respect to the suitability of its products or the adequacy of the specifications. VSN has no responsibility for design, engineering, or other advice, regarding any product specifications provided by Buyer. Buyer shall defend, indemnify and hold VSN harmless against all product liability, product recall, and other claims, liabilities and expenses, including but not limited to actual attorney fees, incurred by VSN arising out of any claimed design or engineering defect relating to specifications provided by Buyer to VSN.

10. **Indemnification of VSN (General).** Buyer shall indemnify, defend and hold VSN and its agents harmless from all claims, liabilities, and expenses, including but not limited to actual attorney fees, sustained by VSN or its agents that are caused by any action of Buyer relating to the goods or services sold by VSN to Buyer.

11. **Indemnification of VSN (Patents).** Buyer shall indemnify, defend, and hold VSN and its agents harmless from all claims, liabilities, and expenses, including but not limited to actual attorney fees, arising out of any claim of infringement of a patent, copyright, trademark, trade name, or other proprietary right, or claim of unfair trade or of unfair competition in connection with the manufacture, sale, or use of the goods sold to Buyer, except to the extent that any claim, liability, or expense arises solely from specifications developed by VSN.

12. **Compliance Statement.** Commodities, technologies, or software exported by VSN from the United States are in accordance with Export Administration Regulations. Any export or re-export contrary to U.S. law is prohibited.

13. **Assignment.** Buyer shall not assign its rights or delegate its duties under this document without VSN's prior written consent. VSN may assign to any third party its rights and obligations with respect to Buyer.

14. **Entire Agreement and Amendment.** This document contains all of the terms of the agreement between VSN and Buyer with regard to its subject matter and supersedes all prior oral or written representations, agreements, and other communications between VSN and Buyer. The contract evidenced by this document may be amended only in writing signed by Buyer and an authorized agent of VSN.

15. **Severability.** All terms shall be enforced only to the maximum extent permitted by law. If any term is invalid or unenforceable, all other terms shall remain in effect.