

CFM-ITBONA GENERAL COMMERCIAL TERMS AND CONDITIONS

1. **GENERAL** — The following are the terms and conditions under which CFM-ITBONA LLC sells and licenses its products, equipment, software, and services in the United States of America. Any contract between CFM-ITBONA and Buyer shall incorporate CFM-ITBONA terms as stated herein, unless different or additional terms are expressly agreed to by CFM-ITBONA in writing. The order of precedence of all terms and conditions of any contract between CFM-ITBONA and Buyer are those designated: (1) in body of a contract, (2) in body of a proposal, and (3) those herein.
2. **DEFINITIONS** as used herein: (a) **Equipment** shall mean all hardware including the hardware of computers, electronic controls, products, accessories, machines and systems; (b) **Computer Software** shall mean computer or processor programs and computer data bases, including software or firmware embedded in semiconductor chips; (c) **Source Code Program** shall mean a computer program that is in a form that reveals the functional operation of the computer program to one skilled in the art; (d) **Integrated Software** (often known as “Bundled” software) shall mean Computer Software that is generally Equipment dependent, that is generally essential to the functional operation of the Equipment specified in a contract, and that is generally licensed as an integrated package with services and/or Equipment; (e) **Independent Software** (often known as “Unbundled” software) shall mean Computer Software that is licensed independent of Equipment, services and other Computer Software, and is offered “as is” with no warranties of performance; (f) **Distributed Software** (often known as “Third Party” software) shall mean Computer Software that is not owned by CFM-ITBONA and is sub-licensed by CFM-ITBONA under a separate license agreement between CFM-ITBONA and the owner of the said Software; (g) **Development Software** shall mean Computer Software that is licensed to develop and produce application programs for use on equipment other than the equipment the Development Software runs on and is specifically defined as Development Software.
3. **TERMS OF PAYMENT** are net thirty (30) days from the date of invoice, unless specifically stated otherwise. A service charge of 1.5% per month (but not exceeding the maximum permitted by law) will be payable on any past due accounts. No discounts are allowed on invoices paid prior to thirty (30) days of invoice date.
4. **PRICES PROPOSED** are exclusive of all shipping costs, duties, sales taxes, use taxes and all like taxes, unless specifically stated otherwise.
5. **DELIVERY TERMS** — Unless specifically stated otherwise, all deliveries hereunder shall be shipped by CFM-ITBONA “Ex Works” the manufacturing facility of its choice (the “Shipping Point”), and Buyer shall assume all risk of loss for products upon delivery by CFM-ITBONA of the products to the Shipping Point. Buyer will pay all loading, freight, shipping, insurance, forwarding and handling charges, taxes, storage, customs, export or import tariffs and all other duties or charges applicable to such products after they are delivered by CFM-ITBONA to the Shipping Point.
6. **MODIFICATIONS** — No modification of this order shall be binding on the parties unless agreed to in writing and signed by both parties.
7. **DISPUTES** — If any controversy, dispute or disagreement arising out or relating to the execution or the interpretation of a contract arising out of this proposal cannot be settled by direct negotiations, then either party may begin litigation in a court located within the State of Minnesota, it being agreed that only Minnesota courts shall have jurisdiction and that Minnesota law shall apply in all such litigation. Remedies hereunder shall be cumulative and shall include common law and statutory remedies, including remedies under the Uniform Commercial Code. If any such controversy, dispute or disagreement arises prior to shipment by CFM-ITBONA of the items covered hereby, CFM-ITBONA may suspend its performance hereunder without penalty until such controversy, dispute or disagreement is resolved. Upon such resolution, the parties shall proceed diligently with performance.

8. **ERRORS/CHANGES** — Any stenographic or clerical errors appearing in the typed portion of an CFM-ITBONA Proposal or Contract may be corrected at any time by CFM-ITBONA. CFM-ITBONA reserves the right to make changes in design and manufacture in any item included in an CFM-ITBONA Proposal or Contract without incurring any obligation to install such change upon units manufactured for, or delivered to, the Buyer prior to such design change.

9. **AUDIT RIGHTS** are not granted for firm-fixed price proposals or contracts. For cost-reimbursement contracts or in the event Buyer cancels a contract resulting from this Proposal, audit rights are limited exclusively to data directly in support of the CFM-ITBONA cost-reimbursement proposal or contract termination claim. Any copies of CFM-ITBONA books, records, documents or working papers prepared by Buyer's auditors or other employees shall be inscribed with a "Proprietary Information" legend; shall be restricted for access and use to only Buyer's organizational function responsible for requesting the audit; and shall be considered CFM-ITBONA Proprietary Information under the terms of Article 15 herein.

10. **DAMAGES** — CFM-ITBONA shall not be liable for any incidental or consequential damages or losses incurred by Buyer arising from delays in delivery, installation and/or use of the Equipment or Computer Software by Buyer. By purchase of CFM-ITBONA Equipment or Computer Software, Buyer assumes all liability for any damages of any kind which may result from its use or misuse by Buyer's employees, agents or any other persons including third parties unknown to CFM-ITBONA or Buyer, including damages due to failure of the Equipment or Computer Software and Buyer agrees to indemnify, defend and hold CFM-ITBONA harmless from any and all such damages or losses, including, without limitation, reasonable attorneys' fees incurred by CFM-ITBONA in defending against the same, excepting such loss, cost or damage occasioned by fault or negligence of CFM-ITBONA.

11. **EXPORT** — Buyer will not disclose, export, re-export, or divert any product supplied by CFM-ITBONA, any system incorporating such product, or any technical information, document or material, or direct products thereof, to any country or person to whom such disclosure, export, re-export or diversion is restricted by U.S. law unless all necessary and appropriate authorization has been obtained from the U.S. government. CFM-ITBONA will provide Buyer with reasonable assistance in determining if U.S. government authorization is necessary for such disclosure, export, re-export or diversion. This provision shall survive the termination of this Agreement.

12. **FORCE MAJEURE** — Neither party shall be liable for any delay or failure to perform any of its obligations under this Agreement if and to the extent such delay or failure is due to circumstances beyond the reasonable control of such party, including but not limited to, fires, floods, explosions, accidents, acts of God, declared and undeclared wars or riots, strikes, lockouts or other concerted acts of workmen, acts of government, shortages of materials, inability to obtain export or import licenses, or any provision or requirement of the U.S. Export Administration Regulations or any government act, omission, regulation, license, order or rule.

13. **NON-WAIVER** — The failure of CFM-ITBONA to enforce any of the provisions hereof shall not be construed to be a waiver of such provisions nor the right of CFM-ITBONA to enforce such provisions in the future.

14. **GOVERNING LAW** — This Agreement shall be governed by the laws of the State of Minnesota USA, except that its conflict of law rules shall not apply.

15. **PROPRIETARY DATA RIGHTS** — Buyer and CFM-ITBONA agree that Proprietary Information of one Party ("Owner") transmitted to the other Party ("Recipient") in writing in any request to quote, specification, quotation, bid, proposal, technical manual, software listing or any written communication thereafter and marked as Confidential or Proprietary except all Computer Software is to be considered proprietary irrespective of the medium it is on and markings to this effect, is subject to the proprietary rights of the Owner and the restrictions set forth herein. Proprietary Information shall not include information which was in possession of the Recipient prior to receiving it from the Owner, is or becomes in the public domain through no wrongful act of the Recipient, or becomes legitimately

available to the Recipient from other than the Owner. The Parties agree Proprietary Information shall remain the sole property of the Owner and agree to keep it confidential using a degree of care commensurate with maintenance of trade secret information. The Buyer agrees not to use Proprietary Information to assist in creating or attempting to create by reverse engineering or otherwise, the Source Code Programs, hardware designs or manufacturing processes from products provided or to make a new product or system, or repair any product or system except as necessary to support the use of any system or products supplied by CFM-ITBONA. In the event that CFM-ITBONA Proprietary Information is first conceived or developed by CFM-ITBONA in the performance of a contract for Buyer, CFM-ITBONA shall be free to use any such proprietary information for any purpose and for any other person or entity, including CFM-ITBONA.

16. **PATENT/COPYRIGHT INDEMNITY** — CFM-ITBONA shall defend any suit or proceeding brought against Buyer to the extent that it is based on a claim that a Product made by CFM-ITBONA, sold under this Agreement infringes a valid patent or copyright and shall indemnify Buyer against all costs, damages and expenses finally awarded against Buyer which are attributed to such claim, provided that Buyer notifies CFM-ITBONA promptly in writing of any such claim and gives CFM-ITBONA full and complete authority, information and assistance for the defense of the suit or proceeding and provided further that CFM-ITBONA shall have sole control of the defense and of the negotiations for settlement, if any, of the suit or proceeding. If any Product sold to Buyer by CFM-ITBONA is held to infringe any valid patent or copyright and the use of the Product is enjoined or in case any Product may, in the opinion of CFM-ITBONA, be held to constitute such infringement, CFM-ITBONA may at its expense, either (a) procure for Buyer the right to continue using the Product; (b) replace the Product with a suitable non-infringing Product; (c) suitably modify the Product or (d) remove the Product and refund the purchase price and transportation costs for the Product, less deduction for depreciation equal to twenty percent (20%) of the purchase price for each year of use since purchase. The foregoing states the entire liability of CFM-ITBONA and the exclusive remedy of Buyer, with respect to any alleged patent or copyright infringed by any Product. If the Product accused of infringement is modified or combined with other devices by persons other than CFM-ITBONA, without CFM-ITBONA's written approval and the modification or combination results in infringement, suit or proceeding, CFM-ITBONA shall not be obligated to indemnify Buyer under this Article 16.

17. **CFM-ITBONA COMPUTER SOFTWARE LICENSE AGREEMENT:**

All Computer Software or documentation offered for sale or lease is an offer to grant a license to Buyer to use a copy of same under the terms stated herein. CFM-ITBONA hereby grants on receipt of payment or Buyer's Purchase Order, and Licensee ("Buyer"), by issuing a Purchase Order, hereby accepts a non-exclusive, non-transferable License to use and copy the Computer Software and any subsequent updates thereof, delivered under this Purchase Order, solely under the conditions set forth herein. This grant of license specifically excludes Source Code Programs.

17.1 **Term** - This License shall be effective from the date of delivery of Computer Software by CFM-ITBONA, and shall remain in effect until Buyer discontinues the use of such Computer Software, or as specifically stated otherwise.

17.2 **Title** - Buyer hereby acknowledges that title to and ownership of the Computer Software shall at all times remain with CFM-ITBONA or the owner of Distributed Software.

17.3 **Trade Secrets** - Computer Software may embody trade secrets of CFM-ITBONA or a third party owner. All Computer Software shall be considered Proprietary and Buyer agrees to the terms of Article 15 herein.

17.4 **Buyer Use Limitations** - Buyer agrees to use the Computer Software and any part thereof only on the Equipment designated by the contract which this License Agreement is a part and to copy the Computer Software in whole or in part (with the proper inclusion of CFM-ITBONA's copyright notice and any of CFM-ITBONA's proprietary notices) only for use on said designated Equipment, and not for publication. Transfer of licensed Computer Programs, excluding Computer Data Bases, is specifically forbidden on any computer network other than to said designated Equipment. Computer Software contains Trade Secrets and to protect them, Buyer agrees not to decompile, reverse engineer or otherwise reduce object code to Source Code Program form. Buyer agrees not to modify, adapt, translate or create derivative works based on Computer Software and accompanying documentation and not to distribute

copies of Computer Software or accompanying documentation to others. In the event that a malfunction occurs causing the Computer Software to become inoperable on said designated Equipment, the Computer Software (or copies thereof) may be used on other Equipment on a temporary basis during such malfunction if CFM-ITBONA is notified in writing. Buyer may move a licensed copy of Development Software only to another computer but the Buyer agrees not to make copies of the licensed Development Software for simultaneous multiple use. This License Agreement does not apply to application programs developed or produced with licensed Development Software.

17.5 **Assignment** - Buyer's rights to use the Computer Software supplied by CFM-ITBONA hereunder shall not be assigned, licensed or transferred to a successor, affiliate or any other person, firm or organization without the prior written consent of CFM-ITBONA.

17.6 **Termination** - In the event Buyer fails to perform or observe any of its obligations under this License Agreement, or if a receiver or trustee in bankruptcy is appointed, this License shall immediately terminate. Upon any termination, Buyer shall immediately return to CFM-ITBONA or destroy the Computer Software, its documentation and all other materials supplied to Buyer by CFM-ITBONA under this Agreement.

18. **CFM-ITBONA LIMITED WARRANTIES:**

18.1 **CFM-ITBONA Equipment Limited Warranty** - CFM-ITBONA warrants Equipment of its manufacture to be free from defects in materials and workmanship for a period of twelve (12) months after shipment from its plant; or, in the case of Equipment requiring field installation and performance testing at Buyer's facility by an authorized representative of CFM-ITBONA prior to acceptance, warranty shall be for a period of twelve (12) months from the date of such acceptance of the Equipment by Buyer, but in no event shall any warranty exceed a period of fifteen (15) months from the date of shipment from CFM-ITBONA plant or its designated vendor. Any productive use of CFM-ITBONA Equipment or Computer Software by the Buyer, prior to acceptance, shall establish the date on which the warranty period commences. CFM-ITBONA shall, at its option, repair or replace free of charge within the warranty period any components or assemblies supplied by CFM-ITBONA which prove to be defective in workmanship or materials. CFM-ITBONA reserves the right to request the prepaid return of such defective items to its plant for inspection and evaluation. Expendable items (e.g. oil, lamps, seals, filters, printer ribbons) and items subject to normal wear and/or replacement, will not be covered under warranty if their failure is the result of normal wear. CFM-ITBONA reserves the right to reject those claims for warranty where it is determined that failure is caused by Buyer made modifications, improper maintenance, misuse or abuse of the Equipment.

18.2 **CFM-ITBONA Integrated Software Limited Warranty** - For a period of twelve (12) months following Acceptance, CFM-ITBONA will design, code, check out, document and deliver promptly any amendments or alterations to the Integrated Software that may be required to correct errors present at the time of its Acceptance and which materially affect performance in accordance with the specifications. This warranty is contingent upon (a) Buyer advising CFM-ITBONA in writing of such errors, and (b) the Integrated Software being used only in conjunction with the Equipment specified on the contract under which it was supplied, and (c) there having been no alterations, modifications or enhancements to the Integrated Software which were not approved in writing by CFM-ITBONA. CFM-ITBONA specifically excludes from any warranty, the uninterrupted or error-free use of Computer Software. The term "Acceptance" in this Article refers to that date upon which the Integrated Software is fully installed in the indicated Equipment, and also to the date upon which CFM-ITBONA tests the Integrated Software to ascertain and demonstrate that the Integrated Software is operable and functioning in accordance with its specifications. Following the warranty period, Buyer may continue to receive Computer Software maintenance by Buyer's execution of CFM-ITBONA' then-standard maintenance agreement and payment of CFM-ITBONA' then-current charge for such maintenance.

18.3 **CFM-ITBONA Independent and Distributed Computer Software; No Warranty** - In lieu of any warranties for CFM-ITBONA Independent or Distributed Software, Buyer shall accept the Licensed Independent or Distributed Software (a) when the said Software performs in accordance with its applicable specifications or (b) within thirty (30) days of delivery of the said Software, whichever occurs earlier. In the event Buyer determines within such thirty (30) day period that the said Software is unacceptable, Buyer may return the said Software and manuals to CFM-ITBONA or CFM-ITBONA suppliers without liability to CFM-ITBONA; provided however, that CFM-ITBONA shall have thirty

(30) additional days to make the said Software acceptable to the Buyer and in the event that the said Software is made acceptable to Buyer, the said Software shall be deemed accepted as of the date that Buyer notified CFM-ITBONA of its acceptance. Buyer may receive Independent Software maintenance by Buyer's execution of CFM-ITBONA' then-standard maintenance agreement and payment of CFM-ITBONA' then-current charge for such maintenance.

18.4 **Termination of Warranties** - All applicable warranties relating to products covered hereby shall be deemed null and void if the claimed defects result from; a) material modifications by Buyer, or any person or party other than CFM-ITBONA, unless such modification has prior written authorization by CFM-ITBONA, b) improper or inadequate maintenance by Buyer, c) Buyer supplied software or hardware interfacing, d) misuse or operation outside of the environmental or any other specification for the product, or e) improper installation, site preparation or site maintenance by Buyer.

18.5 **Nature of Breach** - CFM-ITBONA' liability for breach of warranty under the terms set forth herein shall arise only after Buyer's notice to CFM-ITBONA of the claims breach, and such notice must be given within thirty (30) days after discovery thereof.

THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND WHETHER STATUTORY OR OTHERWISE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND NO WARRANTIES ARE EXPRESSED OR IMPLIED WHICH EXTEND BEYOND THE DESCRIPTION OF THE FACE HEREOF, IN NO EVENT SHALL CFM-ITBONA BE LIABLE TO BUYER FOR COLLATERAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND. THIS EXCLUSIVE REMEDY WILL NOT BE DEEMED TO HAVE FAILED OF ITS ESSENTIAL PURPOSE SO LONG AS CFM-ITBONA IS WILLING AND ABLE TO REPAIR, REPLACE OR REFUND THE PURCHASE PRICE OF WARRANTED PRODUCTS AS PROVIDED HEREIN.