

**AMERICAN CONVEYOR & EQUIPMENT, INC.
PURCHASE ORDER TERMS AND CONDITIONS**

This standard Purchase Order ("Purchase Order") is made and entered into as of the date designated on the Purchase Order hereof between American Conveyor & Equipment, Inc. ("AC&E") and the Seller named on the Purchase Order. All goods and/or services described in the Purchase Order and any attachments thereto (sometimes herein referred to as the "Goods" or "Services") purchased by AC&E from the Seller are subject to the following terms and conditions.

1. BILLING AND SHIPPING. Seller shall render invoice in duplicate on date of shipment, showing AC&E's purchase order number and job number and accompanied by transportation receipts. Packing slips must accompany all shipments and must show AC&E's purchase order number, job number, part number and goods description. Charges for prepaid freight must be accompanied by copies of the original freight bill.
2. ACCEPTANCE. This Purchase Order constitutes AC&E's offer to purchase Goods and/or Services from Seller. Seller agrees that acceptance of this Purchase Order is acceptance of the terms and conditions set forth herein, acceptance of AC&E's General and Special Conditions and acceptance of all relevant terms and conditions in any agreements between AC&E and its customers relating to any Goods and/or Services hereunder (copies of all Conditions available upon request) and shall not include any additional or different terms of Seller. Unless otherwise specified, commencement of performance by Seller under this Purchase Order constitutes, and is conclusive evidence of, Seller's approval and consent to the terms and conditions described herein and under any relevant agreements between AC&E and its customers.
3. PRICE AND PAYMENT. AC&E shall not be billed at a price higher than stated in this Purchase Order unless agreed to in writing by AC&E's authorized representative. Seller represents that the prices charged for Goods and/or Services are the lowest prices Seller charges for similar Goods and/or Services under conditions similar to those specified in this Purchase Order. Payment shall be due thirty (30) days from the date of Invoice. AC&E shall be entitled to a two percent (2%) discount if payment is made within ten (10) days from the date of the invoice. Seller shall be responsible for payment of all taxes, packing, handling, freight and similar charges. Final payment shall not relieve Seller from its responsibilities for faulty materials or workmanship as addressed herein.
4. DELIVERY. The obligation of Seller to meet the delivery, completion and/or performance dates is material to this Purchase Order. Time is of the essence. By accepting this order, Seller accepts the risk of loss until arrival of Goods at the destination specified by AC&E. If delivery of Goods and/or performance of Services is not made within the time specified, or within a reasonable time if no

time is so specified, AC&E reserves the right, in addition to its other rights and remedies, to refuse, without liability, to accept such Goods and/or Services. In the alternative, AC&E may call for express shipment, for which costs Seller is responsible. Partial shipments will not be accepted unless authorized by AC&E, and any provisions from delivery of Goods by installments shall not be construed as making the obligations of Seller severable. Unless otherwise agreed upon, Seller shall be responsible for all damages and costs incurred due to its failure to timely deliver the Goods and/or perform the Services.

5. CHANGES. AC&E reserves the right at any time to make changes in the following: a) specifications, drawings and data incorporated in this Purchase Order where any of the Goods described on the face hereof are to be specifically manufactured by AC&E; b) methods of shipment or packing; c) place of delivery or performance of Services and d) time of delivery of Goods or performance of Services. Such changes should be made by written instruction by AC&E to Seller.
6. INSPECTION AND WARRANTY. Final inspection shall be at the premises designated by AC&E. Seller expressly warrants that all Goods and Services will be in exact accordance with this Purchase Order, or other descriptions or specifications. Seller further warrants to AC&E and the end-user that the Goods delivered or Services performed are new, free from any lien or security interest and will be merchantable, of good material and free from all defects for a period of two (2) years from the date Goods are delivered or installed or Services performed. It is understood that AC&E may extend this warranty to the end-user, and Seller's warranty shall remain in effect as long as AC&E's warranty to the end-user remains in effect. The end-user shall be entitled to all rights and remedies of AC&E under this Purchase Order as if a party to it. Seller's warranty shall survive delivery, inspection, acceptance or payment by AC&E for Goods or Services. Without limiting any remedies to which AC&E may be entitled, upon AC&E's request, Seller shall replace all Goods rejected as non-conforming to this Purchase Order, or with Seller's express or implied warranties, and/or correct any non-conforming Services at Seller's own expense including the costs incurred by AC&E in inspecting the Goods and Services, transportation and handling costs, or at AC&E's election, reduce the Purchase Order contract value if payments not made, or refund to AC&E all payments made for such non-conforming Goods or Services. All remedies of AC&E shall be cumulative.
7. INSURANCE AND INDEMNIFICATION. Seller shall obtain and maintain product liability and/or other insurance protecting AC&E, each subsequent purchaser of the Goods covered by this Purchase Order and Seller from all claims for damages because of bodily injury, sickness, disease, death, injury to or destruction of property or product liability arising out of the use or sale of the Goods or performance of the Services. Seller shall indemnify, defend, and hold AC&E and its affiliated companies, their respective officers, directors, agents and employees free and harmless against any and all claims, suits, judgments, awards,

verdicts, attorney's fees, costs, and/or settlements of whatever nature, including products liability which AC&E may suffer, incur, or be legally exposed to by reason of the use by AC&E of Seller's Goods or Services. Seller shall not settle any claims without AC&E's prior knowledge and consent.

8. CONFIDENTIALITY. Seller shall treat all information furnished by AC&E under this Purchase Order, or pursuant to any other agreement between the parties, including, without limitation, drawings, specifications, and related documents, to be confidential and proprietary to AC&E. Seller shall not disclose any such information to any person other than Seller's staff with a need to know, or use such information for any purpose other than for performing its obligations under this Purchase Order. Upon request by AC&E, Seller shall, at the election of AC&E, either destroy or return to AC&E all information and materials furnished by AC&E under this Purchase Order or pursuant to any other agreement between the parties, and any copies thereof, including, without limitation, all drawings, specifications, and related documents. The obligation of confidentiality provided herein shall continue after the termination of this Purchase Order.
9. EQUIPMENT. All material, including tools, special dies, patterns, and fixtures, furnished or specifically paid for by AC&E shall be the property of AC&E; shall be returned to the AC&E when so instructed by AC&E; and shall be used only for AC&E's requirements of this Purchase Order or as instructed by AC&E and shall be segregated and clearly identified as property of AC&E. Seller assumes all storage costs and assumes all risk and liability for loss and damage thereto, except for normal wear, and agrees to permit inspection and supply detailed statements of inventory upon request of AC&E.
11. PATENT INFRINGEMENT. Seller warrants that the sale or use of the Goods does not infringe any patent or process of manufacture or violate any other intellectual property right (such as trade secret or copyright) of any third party. Seller will, at its own expense, defend any suit or action brought for such claim of infringement or violation, and Seller will further pay all costs, damages and expenses of AC&E incurred thereby.
12. CANCELLATION. AC&E may cancel this purchase order any time before shipment of the total Goods ordered, in which event AC&E will pay for Seller's finished Goods on delivery of such finished Goods to AC&E. AC&E will not be responsible for work-in-process, lost or anticipated profits, indirect costs or overhead expenses of any type.
13. TERMINATION. AC&E reserves the right to cancel this Purchase Order partially or entirely in the event Seller breaches any terms or conditions of this Purchase Order or if there are instituted proceedings by or against Seller in Bankruptcy or under insolvency laws for corporate reorganization or receivership or dissolution. In the event of any cancellation under this paragraph, AC&E, without prejudice to any other rights available to it for breach of this Purchase

- Order, shall have the right: a) to refuse to accept delivery of the Goods or Services; b) to recover from Seller all payments made therefore and any other expenses incurred by AC&E and to be relieved from liability for any future payments to Seller; and c) to purchase elsewhere and charge Seller with any resultant losses. No returned Goods shall be replaced without AC&E's written replacement order.
14. ASSIGNMENT. Seller may not assign or delegate its rights or obligations under this Purchase Order without the prior written consent of AC&E.
15. COMPLIANCE WITH LAWS. In accepting this Purchase Order, Seller represents that it has complied and will continue at all times during the performance of this Purchase Order to comply with the requirements and provisions of all federal, state and local laws and regulations including the Occupational Safety and Health Act. Seller agrees to assume the obligation of compliance with the requirements of Executive Order 11246, Executive Order 11141, the Rehabilitation Act of 1973, the Vietnam Era Veteran's Readjustment Act of 1974, all as amended and all rules and regulations thereunder.
16. ENTIRE AGREEMENT. This Purchase Order, along with these terms and conditions, AC&E's General and Special Conditions, all relevant terms and conditions in any agreements between AC&E and its customers relating to any Goods and/or Services hereunder, and the final Scope of Work, Specifications, Instruction to Bidders, and schedule information for the Goods and/or Services hereunder, where applicable, represent the entire agreement of the parties hereto. All prior discussions and negotiations are merged herein the aforementioned documents. No agreement or other understanding in any way purporting to modify the terms and conditions hereof will be binding unless made in writing and signed by AC&E and Seller.
17. DISPUTES. All claims, disputes and other matters in question between the Purchaser and the Contractor arising out of or relating to the Contract or the breach thereof (except for claims which have been waived by the making or acceptance of final payment as provided for in Clause 23.12 (Effect of Final Payment)) will be resolved in accordance with Clause 35 of AC&E's General Conditions, which requires arbitration for disputes equal to or less than one million dollars, with disputes of a greater amount resolved in a court of competent jurisdiction where the project is located. Seller and AC&E agree that they shall first submit any and all unsettled claims, counterclaims, disputes or other matters in question between them arising out of or relating to the Contract or the breach thereof ('disputes') to mediation prior to either of them initiating against the other a demand for arbitration or filing suit in a court of competent jurisdiction.
18. GOVERNING LAW. This Purchase Order shall be governed by the internal laws of Ohio without reference to conflict of law rules.

19. REMEDIES. The remedies herein reserved to AC&E shall be cumulative and additional to any other or further remedies provided in law or equity.
20. ATTORNEY'S FEES. Seller shall pay AC&E's costs in enforcing this Purchase Order including all reasonable attorneys' fees.
21. NOTICES. All notices made hereunder shall be in writing and shall be sent by registered mail, courier service or transmitted by facsimile with confirmation copy by mail to the other party at its address shown on the front page hereof, or such other address as either party may hereafter specify.
22. WAIVERS. Failure on the part of AC&E to complain of any breach or Seller's failure to act shall not constitute a waiver of AC&E's rights hereunder.