

GENERAL CONDITIONS

Section 1: Scope of Work. As an equipment supplier, Ryan Company, Inc. ("Ryan") will provide equipment per the technical portion of the specifications as submitted, clarified and as approved by the Engineer, if any. To assure that no confusion exists concerning what is to be furnished, the following items are not part of our scope of supply unless specifically referenced, and shall be the responsibility of others:

Unloading and storage; Installation, field assembly, alignment; Piping, fittings, valves, vents, drain or seal water systems other than those submitted, clarified and approved; Interconnecting wiring, or other system control apparatus other than those submitted, clarified and approved; Instrumentation or monitors other than those submitted, clarified and approved; Metal supports, templates, grouting, jacking bolts or leveling shims; Travel or living expenses, training, miscellaneous equipment, services, accessories or fittings not specifically submitted, clarified or approved.

Section 2: Status of Ryan. The status of Ryan shall be that of an independent equipment supplier and not a subcontractor. This agreement exists only between Ryan and you, the Buyer, and excludes all others. Mutually acceptable terms and conditions of sale are herein established in this Purchase Order and acknowledged by Buyer's receipt of the Equipment. All other terms and conditions of any origin are excluded.

Section 3: Shipping. Ryan's freight terms are FOB factories, with full freight prepaid and allowed to the jobsite or first delivery destination. Ryan agrees to ship exclusively via insured carriers.

Section 4: Payment Terms and Retention. The parties agree to payment terms of 100% net 30 days after shipment. The price quotation set forth in this Purchase Order shall be valid only if accepted by Buyer, under the terms and conditions of this Purchase Order, within 60 days of the date hereof. On orders having a total price of \$100,000.00 or more, terms are 10% with order, 40% upon Seller's receipt of Buyer's approval drawings, 45% within 30 days after shipment and 5% at startup of products or within 90 days after shipment, whichever occurs sooner.

Section 5: Liens. Ryan agrees to indemnify Buyer from any liens filed by Ryan's suppliers or labor force. Ryan's statements of conditional, partial or complete lien waivers, consistent with payments received, will be furnished on request. Ryan declines to waive rights to attach liens to the Equipment at any point prior to receipt of final payment. The furnishings of such waivers shall not be a condition precedent to payment.

Section 6: Compliance with Laws. Ryan agrees to comply with all United States laws and regulations applicable to the manufacturing of the subject Equipment. Such compliance shall include:

- (a) The Fair Labor Standards Acts of 1938, as amended.
- (b) Equal Employment Opportunity clauses of Executive Order 11246, as amended.
- (c) Occupational Safety and Health Act of 1970 and the standards promulgated thereunder, if applicable.

Since compliance with the various Federal, State and Local laws and regulations concerning occupational health and safety, pollution or local codes are affected by the use, installation and operation of the Equipment and other matters over which Ryan has no control, Ryan assumes no responsibility or compliance with those laws and regulations, whether by way of indemnity, warranty, or otherwise. It is incumbent upon the Buyer to specify equipment, which complies with local codes and ordinances.

Section 7: Limitation of Liability. Under no circumstances shall Ryan have any liability under the Purchase Order or otherwise for liquidated damages or for collateral, consequential or special damages or for loss of profits, or for actual losses or for loss of production or progress of construction regardless of the cause of such damages or losses. In any event, Ryan's aggregate total liability under the Purchase Order or otherwise shall not exceed the contract price.

Section 8: Acts of God/Force Majeure. Ryan shall in no event be liable for delays in delivery of the Equipment or other failures to perform caused by fires, acts of God, strikes, labor difficulties, acts of governmental or military authorities, delays in transportation or procuring materials, or causes of any kind beyond Ryan's control.

Section 9: Warranty. Ryan did not manufacture this Equipment. Ryan does not warrant accessories or components that are not manufactured by Ryan. However, to the extent possible, Ryan agrees to assign to Buyer its rights under the original manufacturers warranty without recourse to Ryan.

THESE WARRANTIES ARE THE SOLE WARRANTIES RELATING TO THE EQUIPMENT AND ITS INSTALLATION AND RYAN HEREBY EXPRESSLY DISCLAIMS AND BUYER WAIVES ALL OTHER WARRANTIES EXPRESSED, IMPLIED IN LAW OR IMPLIED IN FACT, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Section 10: Precedence. These General Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition, notice to proceed, or like document regarding Ryan's sale of this Equipment.

Section 11: Dispute Resolution. If it is necessary for Ryan to retain counsel to enforce any provisions of these General Conditions, then Buyer agrees to pay all attorney's fees and costs incurred by Ryan. Unless and to the extent necessary for Ryan to pursue any mechanic's lien remedy, Buyer consents to exclusive jurisdiction and venue in Minneapolis, Minnesota. A finance charge of 1.5% per month shall accrue on any invoice not paid within 20 days of its issuance.