



IKA® Terms and Conditions of Sale

The following terms and conditions of sale apply to all US and Canadian sales from IKA Works, Inc. ("IKA") to the purchaser of products ("Buyer"), unless specifically agreed otherwise in a writing signed by IKA.

1. GENERAL. These terms and conditions of sale constitute the entire understanding of the parties with respect to the subject matter hereof. IKA expressly objects to any terms or conditions in Buyer's order acknowledgment, quotation or other documents modifying these terms and conditions of sale. No such modification will be binding upon IKA unless accepted in writing by IKA and shall only apply to the order for which they are so agreed. Receipt of the products by Buyer, or any agent, representative, or designee of Buyer, shall constitute Buyer's acceptance of these terms and conditions of sale, even if Buyer has purported to object to or reject terms and conditions contained therein. These terms and conditions of sale, and their interpretation, construction, and effect, shall in all respects be governed by the substantive laws of the State of North Carolina, U.S.A., without regard to its conflicts of law rules. Additionally, the parties hereto agree that the U.N. Convention on Contracts for the International Sale of Goods (Vienna, 1980) shall not apply to any product sale by IKA.

2. PAYMENT TERMS.

Machines and Systems up to US\$30,000:

60% down payment with order, 40% Net 30 days upon shipment. 3% Discount on any order paid in full within 10 days (NET) from receipt of purchase order.

Machines and Systems from US\$30,001 to US\$150,000:

30% down payment with order, 60% prior to shipment, 10% Net 30 days from delivery. 3% Discount on any order paid in full within 10 days (NET) from receipt of purchase order.

Machines and Systems exceeding US\$150,000:

40% down payment with order, 50% prior to shipment, 10% Net 30 days from delivery. 3% Discount on any order paid in full within 10 days (NET) from receipt of purchase order.

3. PRICE, SHIPMENT, DELIVERY AND ACCEPTANCE.

Prices are valid for 60 days from the date of the initial proposal, unless otherwise specified by IKA. Delivery and price terms are E.X.W. (Incoterms 2010), IKA's facility in Wilmington, North Carolina, U.S.A. Acceptance of shipment by a common carrier shall constitute delivery of products to Buyer, and IKA shall not be responsible for product damaged or lost in transit. Buyer shall promptly upon receipt of each shipment of products inspect or cause its agent, representative or designee to inspect product for patent and latent defects, and Buyer shall give immediate written notice to IKA by nationally recognized carrier (overnight delivery) setting forth the nature of the alleged defect or nonconformity.

4. CHANGES; CANCELLATIONS. In the event of a change in an order previously accepted, Buyer assumes the liability for all charges and expenses associated with order entry, engineering and material management charges relative to rework of the

order, drawings and purchase requisitions as well as any restock fee of no less than 15% or scrap charges.

Accepted orders may be reduced in quantity, altered or cancelled, only with IKA's prior written approval, which approval may be conditioned, delayed or withheld by IKA in its discretion. In the event IKA approves the cancellation of an order previously received by IKA, Buyer assumes the liability for all cancellation charges and expenses. Buyer shall reimburse IKA for its review and determination of all work performed and/or expenses incurred. If Buyer delays an order after performance on the part of IKA has commenced, there will be a monthly service charge of 2% of invoice (compounded) during such period of delay. In the event Buyer cancels an order after manufacturing has been substantially completed, the Buyer will be subject to a cancellation charge of 80% of the sales price of the products. An order cannot be canceled or changed within 30 days of the established shipment date. If the order is for multiple shipments within 30 days of each other, IKA may elect to run two shipments at one time in which case Buyer shall be responsible for both shipments. Buyer shall also be responsible for all costs of specialty parts or accessories specific to the order already paid or irrevocably committed by IKA as of the time of cancellation, even if the cancellation is accepted by IKA more than 30 days prior to the established shipment date.

5. ERRORS. Typographical and clerical errors are subject to correction in the sole discretion of IKA.

6. SPECIFICATION. IKA reserves the right to discontinue or change engineering specifications, designs or materials, without notice to Buyer, consistent with sound engineering principles, availability of raw materials and practices in the industry.

7. LIMITED WARRANTY. Products, when purchased from IKA in new condition, are warranted against defects in materials or workmanship for a period of 12 months from the date of original purchase. The exclusive remedy for products deemed to be defective by IKA shall be the replacement or repair, at IKA's option, of the defective products or parts thereof. **EXCEPT AS EXPRESSLY SET FORTH HEREIN, IKA EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. IN NO EVENT WILL IKA BE LIABLE, WHETHER IN CONTRACT, TORT, OR OTHERWISE, FOR DAMAGES TO PERSONS OR PROPERTY, CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, TREBLE OR PUNITIVE DAMAGES OF ANY KIND, OR FOR LOSS OF INVESTMENT OR FINANCING, INDEBTEDNESS, LOSS OF SALES OR PROFITS, OR BUSINESS INTERRUPTION OR TERMINATION.**

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