TERMS AND CONDITIONS

1. AGREEMENT: This agreement (hereinafter this "Agreement") made between Buyer and Seller for the sale of certain products ("Products") is expressly made on Buyer's assent to all of the terms and conditions hereof. Failure by Buyer to object in writing within ten (10) days after the receipt hereof, or acceptance by Buyer of the Products, shall be deemed an assent to all of the terms and conditions hereof notwithstanding (i) the inclusion of different or additional terms and conditions on the front or reverse side in any form of purchase order which Buyer may heretofore have sent or will send to Seller, and which shall be deemed objected to by Seller, (ii) Seller's shipment of the Products and/or, (iii) Seller's acceptance of the purchase price for such Products. In any event, if there shall be any inconsistency or conflict between the terms and conditions hereof and Buyer's purchase order, the provisions of the terms and conditions hereof shall govern and control.

2. ENTIRE AGREEMENT: The terms and conditions hereof contain a final, complete and exclusive statement of the terms of the Agreement between Buyer and Seller relative to the sale of the Products, and there have been no verbal understandings or agreements relative thereto other than those herein stated.

3. MODIFICATION: None of the terms, provisions or conditions of the terms and conditions hereof resulting from Buyer's failure to object as aforesaid or Buyer's acceptance of the Products may be modified, altered or added to except by written instruments signed by a duly authorized representative of Seller. Any agreed upon change in Buyer's order will be subject to an equitable adjustment in the purchase price and/or time for performance set forth herein.

4. CANCELLATION - BUYER'S LIABILITY: Buyer may not cancel or modify the terms and conditions hereof except in writing with the consent of Seller, and Buyer shall be liable for any loss suffered by Seller by reason of Buyer's cancellation, in the event of Buyer's failure or refusal to accept Products manufactured or fabricated by Seller or other details either before or after delivery to carrier, Seller may without notice retain or repossess said Products and Buyer shall be liable for the full purchase price less an allowance for the then current value thereof after deducting freight, storage, handling and other costs.

5. CHANGE OF PRICE: The prices and charges for the Products may be adjusted to, and invoiced at, Seller's prices and charges in effect at the time of shipment to Buyer.

6. PAYMENT: Buyer's financial responsibility is at all times subject to the approval of Seller, and Seller may at any time require payment in advance or satisfactory security or guaranty that invoices will be promptly paid when due. If Buyer fails to comply with any terms of payment or requirements to secure payment, Seller reserves the right to withhold further deliveries or terminate this Agreement, and any unpaid amount shall thereupon become immediately due. Subject to Seller's rights provided in preceding sentences of this paragraph, and unless otherwise specified by Seller, all prices quoted are F.O.B. carrier at Seller's plant or shipping point, terms: Shipments from the first to the fifteenth of each month are payable on the twenty-fifth of the same month. Shipments from the sixteenth to the end of each month are payable on the tenth of the following month. All payments are net no discount.

7. EXCUSABLE DELAYS: Seller shall not be held liable or deemed in default if prevented from performing any of Seller's obligations under this Agreement, including but not limited to making delivery of the Products, occasioned by reason of fire, flood, drought, acts of God, war, riot, strikes, lockouts, delay in transportation, embargo, governmental orders which in any way interfere with the purchase or manufacture or flow of the necessary material or products required to manufacture or fabricate the Products, or by acts or omissions of Buyer, including, but not limited to, Buyer's failure to promptly comply with the terms of payment (collectively, the "Excusable Delays"). The date of delivery shall be extended for a period equal to the time lost by reason of any of the Excusable Delays.

8. SHIPPING WEIGHTS: Except as may be required for Seller's compliance with the Intermodal Safe Container Transportation Act (49 U.S.C. §5901 et. seq.), Seller shall not be responsible for the accuracy of shipping weights, if any, listed on any document provided by Seller to Buyer. Such weights are given only for the purpose of enabling Buyer to estimate transportation cost.

9. TAXES: To the extent legally permissible, all present and future taxes imposed by any federal state, foreign or local authority, including sales, use, manufacturer's, excise, value-added and/or similar taxes, which Seller may be required to pay or collect upon or with reference to the sale, purchase, transportation, delivery, storage, use or consumption of the Products (except income taxes) shall be added to the purchase price of such Products and shall be paid by Buyer to Seller. Seller shall not in any event be liable or responsible for any taxes, assessments or other governmental charges which may be imposed upon, levied against or claimed to be due from Buyer and which are, or are asserted or claimed by the Buyer to be, attributable in any manner or to any extent to the failure, neglect or refusal, or to the claimed or alleged failure, neglect or refusal, of Seller to ship or deliver Products at the time or times in the quantity or quantities and/or in the manner specified in this Agreement.

10. ERRORS: Stenographical and clerical errors are subject to correction.

11. DELIVERY AND SHIPMENT: Upon delivery of the Products F.O.B. carrier, at Seller's plant or shipping point, all risk of loss, damage and other incidents of ownership shall immediately pass to Buyer, but Seller shall retain a security interest in such Products as security for Buyer's performance until payment in full is received. Seller reserves the right to make LCL and/or LTL shipments of Products not finished in time for inclusion with Buyer's scheduled carload shipment, shipment orders. Seller also reserves the right to ship the Products on common carrier selected from those carriers having specific authority to serve Seller.

12. LIMITED WARRANTY AND DISCLAIMER OF WARRANTY: Seller makes the express warranty as set forth below, solely to the original equipment manufacturer Buyer who purchased the Products directly from Seller, natural or corporate. The original equipment manufacturer Buyer shall not assume for Seller, by way of warranty, contract or otherwise, any obligations or liabilities in connection with resale, by any person, including the OEM, of any material delivered by Seller pursuant to the order made in connection herewith. The sole and exclusive obligation of Seller under this Warranty is to credit the account of the original equipment manufacturer Buyer for the amount of the purchase price that the original equipment manufacturer Buyer paid Seller for the Products or the component parts manufactured by Seller (the "Component Parts"), found upon inspection by Seller to be inoperative solely due to a defect in material or workmanship, and received by Seller within twenty (20) months from the date of manufacture if manufactured within the United States, or within twenty-four (24) months from the date of manufacture if manufactured outside the United States, as determined from the Product code plate/serial label. Condensing units must be returned with the compressor to qualify for Warranty disposition. The LIMITED WARRANTY contained herein is further limited as follows so that such obligations WILL NOT:

(i) Impose on Seller any liability for any costs or expenses incurred by any other person concerning the repair or replacement of any Product or Component Part;

(ii) Extend to any Product or Component Part that becomes inoperative:

a. Due to the failure of, or any defect in, any refrigeration system, refrigeration device or any component part thereof using such Product or Component Part not attributable solely and exclusively to such Product or Component Part,

b. Because of system processing, design or installation, or

c. Because of a failure to follow any directions, manuals and precautions provided by Seller;

(iii) Preclude, limit or restrict the right of Seller to make changes against the Buyer attendant to any in-Warranty return where Seller's inspection of the Product or Component Part indicates that there is no defect in material or workmanship;
(iv) Impose any liability on Seller for any transportation costs other than the Freight Allowance described in the Seller's General Policy and Return Goods Procedure for Original Equipment Manufacturers Only, available upon request;
(v) Extend to any loss of, or damage to, any such Product or Component Part during transportation, storage or handling of the same; or
(vii) Extend to (and said Warranty will automatically become void with respect to) any Product or Component Part on which the Seller serial number or Seller code plate/serial label is missing or rendered illegible.

Seller reserves the right to make changes in the design of, and to make additions to and improvements in, the Product or Component Part without imposing any obligations upon Seller to make changes in the design of, or additions or improvements to Seller's Product or Component Part previously manufactured. THE LIMITED WARRANTY SET FORTH HEREIN IS BUYER'S EXCLUSIVE REMEDY AGAINST SELLER AND ITS SUPPLIERS RELATING TO THE PRODUCTS, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY, AND IS IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS, STATUTORY OR IMPLIED, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY SELLER, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR USE, AND ALL OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE USE, REPAIR, OR PERFORMANCE OF THE PRODUCTS. THE SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF ANY AND ALL WARRANTIES AND THE SOLE REMEDIES FOR SELLER'S LIABILITY OF ANY KIND (INCLUDING LIABILITY FOR NEGLIGENCE) WITH RESPECT TO ANY PRODUCT OR COMPONENT PART COVERED BY THIS WARRANTY SHALL BE LIMITED TO CREDITING BUYER'S ACCOUNT FOR THE AMOUNT OF THE PURCHASE PRICE THAT BUYER HAS PAID TO SELLER.

13. LIMITATION OF LIABILITY: IN NO EVENT SHALL SELLER BE LIABLE, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL LOSSES OR DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY DIRECT OR INDIRECT LOST PROFITS, USE OR REVENUE, OR FOR COST OF CAPITAL OR OF SUBSTITUTE USE OR PERFORMANCE, OR INCREASED COSTS OF OPERATION OR MAINTENANCE, REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR SELLER WAS ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE. Seller shall not assume any warranty obligations or liabilities other than as expressly set forth herein, nor shall it permit any person or entity, including but not limited to the Buyer of such goods from the Seller to grant any warranty or assume any warranty obligations or liabilities whatsoever, on behalf of Seller.

14. DAMAGES: Seller shall in no event be liable for indirect, incidental or consequential damage resulting form its breach of any of the terms of this Agreement, nor for special damages, even if the Seller shall have been advised of the possibility of such potential loss or damage; nor shall Seller be liable for improper selection of any product described on the front side hereof for a particular application.

15. TERMINATION. In the event of a breach by Buyer of this Agreement, Seller may terminate this Agreement upon giving ten (10) days' written notice of termination. If this Agreement is terminated by Seller because of Buyer's breach, Seller is entitled to reasonable reimbursement for any labor, material or other expenses incurred in connection with this Agreement, plus a reasonable amount for overhead.

16. INDEMNIFICATION. To the maximum extent allowed by law, Buyer must defend and indemnify Seller and its employees and agents against all sums, costs, liabilities, losses, obligations, suits, actions, damages, penalties, fines, interest and other expenses (including investigation expenses and attorneys' fees) that Seller may incur or be obligated to pay as a result of (i) Buyer's negligence, use, ownership, maintenance, transfer, transportation or disposal of the Products; (ii) any infringement or alleged infringement of the industrial and intellectual property rights of others arising from Buyer's plans, specifications (including Buyer's trademarks and brand names) or production of the Products ordered by Buyer; (iii) Buyer's violation or alleged violation of any federal, state, county or local laws or regulation, including without limitation, the laws and regulations governing product safety, labeling, packaging and labor practices; and (iv) Buyer's breach of this Agreement.

17. SAFETY PRECAUTIONS: The Products by their nature and design are components of integrated refrigeration and air conditioning systems which operate under specific gas pressures. EXTREME CAUTION must be observed not to apply these Products to systems in which pressures exceed those recommended by Seller, UNDER NO CIRCUMSTANCES should these Products be leak tested or pressurized beyond pressure recommendation by Seller. FAILURE TO HEED these directions may result in lethal explosions, ruptures, concussions and/or gas poisoning.

18. EXPORT: The Products may be subject to export controls and regulations of the U.S., the country of manufacture, or the country of shipment, and export may require a valid export license. Seller's acceptance of Buyer's order and delivery of the Products is conditioned on compliance with applicable export controls. Seller will have no obligation to sell or deliver any product until all required US and/or other export licenses have been granted and there are no other impediments arising from any applicable export regulations. No goods sold to Buyer may be exported or re-exported unless such export or re-export complies fully with all applicable export regulations.

19. WAIVER: The waiver by Seller of any of the terms, provisions, or condition hereof shall not be construed to be a waiver of any other term, condition or provision hereof, nor shall such waiver be deemed a waiver or subsequent breach of the same condition or provision. In the event Buyer shall default in its obligations under this Agreement, Buyer shall be liable for Seller's cost of collection, including reasonable attorney's fees.

20. RIGHTS ARISING UNDER LAW: All rights granted to Seller hereunder shall be in addition to and not in lieu of Seller's rights arising by operation of law.

21. SEVERABILITY: If any provision hereof is held invalid, void or unenforceable, this shall not affect the validity of the remaining provisions.

22. GOVERNING LAW: This Agreement shall be governed and construed in accordance with the laws of the state of Michigan without giving effect to principles of conflicts of law thereof. The U.N. Convention on Contracts for the International Sales of Goods does not apply to the Agreement and all of its terms must be construed in accordance with the Uniform Commercial Code as enacted in the state of Michigan. Notwithstanding any other provision of this Agreement, Seller reserves the right to enforce the terms and conditions hereof against Buyer in any jurisdiction where Buyer owns assets, is domiciled, is doing business, or where Seller may otherwise determine in Seller's sole discretion.

23. SUCCESSORS AND ASSIGNS: This Agreement binds and inures to the benefit of Buyer and Seller and their respective successors and permitted assigns. The Buyer may not assign any interest in, nor delegate any obligation under this Agreement, without Seller's prior written consent.