

**Gummi-Jaeger LLC**

**General Terms and Conditions of Sale**

(Issue Date: February 01, 2010)

The following General Terms and Conditions of Sale ("Terms and Conditions") shall govern the sale of any and all goods by Gummi-Jaeger LLC. ("Seller") to each Buyer of goods ("Buyer"). These Terms and Conditions form a part of any purchase order, invoice, agreement, or other document relating to the sale of goods ("Sales Documents") by Seller to Buyer and are to be read in conjunction therewith. In the event of any conflict or inconsistency between the Terms and Conditions set forth herein and any Sales Documents relating to the sale of goods by Seller to Buyer, then the Terms and Conditions set forth herein shall prevail.

**1. Sale of Goods**

Buyer hereby agrees to purchase the goods ("Goods") identified in the Sales Documents from Seller, and Seller hereby agrees to sell and deliver to Buyer the Goods in accordance with the Terms and Conditions.

**1.1 Goods Manufactured to Buyer's Specifications As Agreed to By Seller**

Seller will sell Goods to Buyer that will be manufactured in accordance with Buyer's specifications as agreed to by the Seller ("Seller's Accepted Specifications"), which are attached to and made a part of the Sales Documents evidencing the sale of the Goods.

**2. Purchase Price and Payment Terms**

**2.1 Purchase Price**

The purchase price of the Goods shall be the price quoted by the Seller in its acceptance of the order from Buyer, subject to adjustment on a semi-annual basis in the Seller's sole discretion for: (i) increased prices of certain raw materials used in the manufacturing process, including but not limited thermoplastics, thermoset elastomers, metals based raw materials, and other raw materials derived from hydrocarbons, and (ii) increased transportation or shipping costs including surcharges for delivery to customer locations (the "Purchase Price").

**2.2 Payment**

Payment terms are cash in advance except where open account credit is established and maintained to the satisfaction of Seller, in which case payment terms are net 30 days from date of shipment. The amount of credit or terms of payment may be changed or credit withdrawn by Seller at any time. Payment shall be made for the Goods without regard to whether Buyer has made or may make any inspection or use of the Goods. Any invoiced amount which is not paid when due will bear interest at the rate of one and one-half percent (1.5%) per month or the highest rate permitted by law with respect to such obligation.

**2.3 Invoicing and Billing Instructions**

Seller shall invoice in duplicate. Originals of all invoices, government and commercial bills of lading and air express receipts shall be mailed to the Purchasing Department of Buyer when goods are shipped. Packing slips must accompany each case, parcel or container, showing Buyer's order number, item number, and a complete description of its contents. Except as otherwise provided on the face hereof, the Purchase Price includes all costs and charges to be paid or reimbursed to Seller by Buyer, including without limitation, all applicable taxes and duties and all charges for packing, loading and transportation. Transportation charges and taxes and duties, when applicable, and when agreed on the face hereof to be borne by Buyer, shall be billed as separate items on Seller's invoice.

**2.4 Taxes**

The Purchase Price is exclusive of any sales, use or privilege tax, customs duty or import, excise tax based on gross revenue or any similar tax or charge which might be levied as a result of the production, sale or shipment of any Goods or the use of any Goods by Buyer. Buyer agrees to pay and otherwise be fully responsible for any such taxes (except for taxes based on the net income of Seller). Any personal property taxes assessable on the Goods after delivery shall be borne by Buyer. Seller shall have the right, but shall not be obligated, to pay any such taxes directly, in which event Buyer shall promptly reimburse Seller in the amount thereof upon presentation by Seller of evidence of payment.

**2.5 Security Interest**

Seller retains a security interest in the products (and replacements) and all proceeds and products thereof until the full purchase price therefore (including taxes and additional charges) has been paid. Buyer's failure to pay any amount when due shall give Seller the right to repossess and remove the products. Such repossession and removal shall be without prejudice to any of Seller's other remedies at law or in equity. Buyer agrees, without further consideration, at any time to do or cause to be done, executed and delivered, all such further acts and instruments as Seller may reasonably request in order to perfect and protect Seller's security interest in the products, including, without limitation, a financing statement appropriate for filing.

**3. Delivery**

Delivery of the Goods to Buyer will be F.O.B. Seller's Plant, freight collect on or before the date of shipment, unless otherwise agreed to in writing by the Seller. The Goods will be shipped in Seller's standard shipping packages to Buyer at Buyer's address as set forth in the Sales Documents unless the Seller agrees in writing to "drop ship" to another location. Unless otherwise instructed in writing by Buyer, Seller will select the carrier. Title and risk of loss to Goods purchased under these Terms and Conditions shall pass to Buyer upon delivery thereof to the carrier, whether or not the Goods conform to the Sellers acceptance specifications. Shipping dates, if any, set forth in Seller's Sales Order are approximate only and merely represent Seller's best estimate of the time required to make shipment. Seller shall not be liable for any loss or expense (consequential or otherwise) incurred by Buyer as a result of any delay in delivery for any reason other than arbitrary refusal of Seller to perform. Seller may deliver Goods in installments.

**4. Inspection and Rejection**

Buyer will inspect the Goods immediately of their arrival at the agreed upon shipping destination ("Inspection Period"). Buyer's inspection shall be reasonable within the terms of the Colorado Uniform Commercial Code. Buyer's failure to inspect the Goods within the Inspection Period shall constitute irrevocable acceptance of the Goods without regard to whether the Goods conform to the specifications or not. Within the Inspection Period Buyer may reject the Goods if the Goods fail in any respect to conform to the specifications agreed upon by the Seller. In the event of a nonconformity sufficient to justify rejection, Buyer may, at its option:

- (a) Reject the entire delivery;
- (b) Accept the entire delivery; or;
- (c) Accept any commercial unit or units and reject the rest.

The exercise of any of the options contained in the preceding sentence shall be without prejudice and with full reservation of any rights and remedies of Buyer attendant upon breach. In the event of the nonconformity of the Goods, Buyer will exercise Buyer's right of rejection no later than seven business days after receipt of the Goods.

Buyer agrees that such notice period is reasonable. Failure to give timely notice, as provided above, shall be deemed irrevocable acceptance of such Goods. Notification of rejection shall be made in a writing delivered to Seller and in order for such notice to be effective receipt of the notice must be acknowledged in writing by Seller. Buyer's notice shall inform Seller of each defect on which the rejection is based. In addition to such other duties as the law may impose, Buyer, on making a rejection, will comply with all of Seller's reasonable instructions. If Buyer incurs any expenses in complying with such instructions, Seller shall indemnify Buyer promptly upon receiving Buyer's request therefore.

#### 4.1 Seller's Reasonable Instructions After Rejection

Seller has no agent or place of business at the place for tender of the goods covered by the Terms and Conditions, and in the event of a rightful rejection of any goods by Buyer, Buyer shall follow any reasonable instructions received from Seller with respect to the goods.

#### 4.2 No Right To Revoke Acceptance Where Buyer Accepts Goods

If Buyer has accepted the goods tendered under the Terms and Conditions in any manner provided in the Colorado Uniform Commercial Code, Buyer shall have no right to subsequently reject the goods for any reason and to revoke acceptance of nonconforming goods, unless the acceptance of nonconforming goods was given on the basis of an assurance by Seller or on reasonable cure of nonconformity.

#### 5. Proprietary Technical Materials

Documentation, maintenance manuals and drawings relating to the Goods (collectively, "Proprietary Technical Materials") which Seller may furnish shall be in Buyer's possession pursuant only to a restrictive, nontransferable, nonexclusive license under which Buyer may use such Proprietary Technical Materials solely for the purpose of operating, servicing and repairing the Goods and for no other purpose. Buyer agrees to maintain the confidentiality of all Proprietary Technical Materials and to instruct and obligate its employees and agents to do the same. Without limiting the generality of the foregoing, Buyer may not reproduce or copy any Proprietary Technical Materials or transfer, assign, sublicense, loan, disclose or otherwise make available all or any portion of such Proprietary Technical Materials to any other person or entity, without the prior express written consent of Seller. Title to and ownership of the Proprietary Technical Materials shall at all times remain in Seller.

In addition to any other remedy Seller may have, Seller reserves the right to terminate this license if Buyer fails to comply with any term or condition hereof. This license shall also terminate at such time as Buyer shall permanently cease to use the Goods. Buyer agrees, upon notice from Seller of any termination of this license and in accordance with any more specific directions from Seller, to deliver immediately to Seller all Proprietary Technical Materials and all copies thereof

#### 5.1 Each Party's Obligation To Protect the Other's Confidential Information

All materials furnished by Seller to the Buyer and by Buyer to the Seller and identified as confidential relating to the Goods or to Seller's to the party furnishing the materials.. Neither Party shall reproduce or distribute such materials except to its own employees who are required to use such materials in the ordinary course of their business. Each party shall use reasonable care to hold information in confidence furnished by the other party. Each party shall label any materials that it believes are Confidential or proprietary before providing such materials to the other party.

#### 5.2 Information and Other Items Provided by Buyer Are Buyer's Sole Property

Seller agrees that the information, tools, jigs, etc., drawings, patterns and specifications supplied or paid for by Buyer shall be and remain Buyer's property, shall be used only on Buyer's orders, and shall be held by Seller for Buyer unless directed otherwise. Seller will account for such items and keep them in good working condition and fully covered by insurance at all times without expense to Buyer. In the event Seller devises and incorporates any new features design into any goods made under this order, Seller grants to Buyer the right of reproduction of such goods, together with a royalty-free, non-exclusive, irrevocable license to use such new features of design.

#### 5.3 Information and Other Items Provided by Seller Are Seller's Sole Property

Buyer agrees that the information, tools, jigs, etc., drawings, patterns and specifications supplied or paid for by Seller shall be and remain Seller's property, shall be used only on Seller's orders, and shall be held by Buyer for Seller unless directed otherwise. Buyer will account for such items and keep them in good working condition and fully covered by insurance at all times without expense to Seller. In the event Buyer devises and incorporates any new features design into any goods made under this order, Buyer grants to Seller the right of reproduction of such goods, together with a royalty-free, non-exclusive, irrevocable license to use such new features of design.

#### 6. Warranties

Seller warrants to Buyer that, for a period of forty-five (45) days from its completion of installation, or the completion of its delivery if installation is postponed due to a delay that is initiated by Buyer, each item of Goods will conform in all material respects to Seller's written specifications for the item and will be free from defects in materials and workmanship. Seller's obligation under this warranty is limited, at Seller's option, to repairing or replacing at Seller's option, at Seller's facility or at the location of the Goods, any Goods or parts thereof that Seller determines not to conform to this warranty or issuing a credit for the original purchase price of the Goods. Buyer shall promptly notify Goods and specifically describe the problem. Seller shall have no obligations under this warranty with respect to any defect unless it receives notice and a description of such defect no later than thirty (30) working days following the expiration of the warranty period. Upon receipt of such notice and satisfactory evidence that the Goods are in fact defective, Seller shall either advise Buyer that warranty service shall be provided at the location of the Goods or shall instruct Buyer as to the part or parts of the Goods that Buyer shall ship back to Seller for repair or replacement. Seller will pay the costs of transporting repaired or replaced Goods back to Buyer and will reimburse Buyer for costs of transporting Goods to Seller which Seller determines to have been defective; otherwise, Buyer shall pay all costs of transportation in both directions.

The foregoing warranties shall not apply to any Goods, which have been:

(a) Used or operated in a manner inconsistent with the use intended by Seller;

(b) Modified or repaired by anyone other than Seller personnel or Seller's authorized service

representatives in a manner which adversely affects its operations or reliability; or

(c) Damaged because of accident, neglect or misuse by anyone other than Seller personnel, failure or surge of electrical power, air conditioning or humidity control, transportation, or other causes other than ordinary use.

THE FOREGOING WARRANTIES APPLY ONLY TO THE ORIGINAL PURCHASER AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL IN NO CIRCUMSTANCES BE LIABLE IN CONTRACT, IN TORT OR OTHERWISE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER OR NOT FORESEEABLE. NO EMPLOYEE OR REPRESENTATIVE OF SELLER IS AUTHORIZED TO MODIFY THIS WARRANTY FOR ANY GOODS.

#### 7. Liabilities

Seller shall in no event have obligations or liabilities to Buyer or any other person for loss of profits, loss of use or incidental, special or consequential damages, whether based on contract, tort (including negligence), strict liability or any other theory or form of action, even if Seller has been advised of the possibility thereof, arising out of or in connection with the sale, delivery, use, repair or performance of the Goods, or any failure or delay in connection with any of the foregoing. Without limiting the generality of the preceding sentence, Seller shall not be liable for personal injury or property damage.

#### 8. Patent and Trademark

##### 8.1 Buyer's Specifications

Seller shall not be obligated to defend any suit or proceeding, or be liable for any costs or damages, if the infringement arises out of compliance with Buyer's specifications or any marking or branding applied at the request of Buyer. Buyer agrees, at its expense, to defend and to pay costs and damages finally awarded in any suit or proceeding against Seller based on any such infringement, provided that Buyer is promptly notified by Seller in writing of the commencement or threat of such suit or proceeding or claim of infringement and is given all authority (including the right to exclusive control of the defense of any such suit or proceeding), information and assistance (at Buyer's expense) necessary to defend or settle such suit or proceeding

#### 9. Spares

Subject to the request for spares occurring during the useful tool life indicated by the Seller, Seller agrees that it will for such period of time as is stated in the Sales Documents sell to Buyer such spares as Buyer may firmly order for delivery within [ number ] months of the order at prices and on terms prevailing on the date of the order plus any increased raw materials prices and costs associated with set up and lower production quantities. Such orders must be placed at least [ number ] days in advance of the first month of delivered specified in such order.

#### 10. Force Majeure

If the performance of an agreement for the sale of Goods or any obligation hereunder, except the making of payments hereunder, is prevented, restricted or interfered with by reason of fire, flood, earthquake, explosion or other casualty or accident; strikes or labor disputes; inability to procure parts, supplies or power; war or other violence; any law, order, proclamation, regulation, ordinance, demand or requirement of any government agency; or any other act or condition whatsoever beyond the reasonable control of the affected party, the party so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, restriction or interference; provided, however, that the party so affected shall take all reasonable steps to avoid or remove such causes of nonperformance and shall resume performance hereunder with dispatch whenever such causes are removed.

##### 10.1 Right To Terminate Contract if Force Majeure Continues

In the event such excusable delay shall continue for a period of more than six consecutive months, then either party may at any time after the expiration of such six months' period terminate these Terms and Conditions upon written or telegraphic notice to the other party, while such cause or causes of delay continue. In the event of such a termination by (a) either party by reason of Buyer's delay in performance, or (b) the Buyer by reason of Seller's delay in performance, it is understood and agreed that Buyer shall pay Seller's reasonable costs and expenses incurred or committed to prior to the date of such termination in respect of all work and services performed by Seller under these Terms and Conditions. Buyer agrees to pay such costs and expenses promptly following receipt of Seller's invoice therefore, which shall be submitted as soon as practicable after such termination.

#### 11. Termination

##### 11.1 Default

Buyer's failure to make any payment when due in accordance with the Terms and Conditions hereof shall constitute a default.

##### 11.2 Termination for Insolvency

Either party may terminate this contract on thirty (30) days written notice if the other party is insolvent or has made any assignment by operation of law or otherwise of this contract or any of its rights hereunder for the benefit of creditors

##### 11.3 Cancellation of Contract

(a) In the event of a cancellation or termination of these Terms and Conditions by the Buyer prior to the completion of performance by Seller hereunder (excluding any termination or cancellation permitted by applicable law for the material breach by Seller of its obligations under these Terms and Conditions), Buyer shall as a condition of such cancellation or termination be obligated to pay Seller's reasonable costs and expenses incurred or committed to prior to the date of such termination or cancellation in respect of all work and services performed by Seller under these Terms and Conditions, plus a reasonable allowance in respect of Seller's anticipated profit. Buyer agrees to pay such costs and expenses, plus allowance for Seller's anticipated profit (less the amount of any down payment or progress payments received from Buyer prior to such termination in respect of undelivered goods and/or unfurnished services), promptly following receipt of Seller's invoice therefore, which shall be submitted to Buyer as soon as practicable after such termination or cancellation.

(b) Seller may cancel these Terms and Conditions at any time if Seller reasonably determines that its performance hereunder is commercially impracticable. Seller shall advise Buyer of this determination within a reasonable time.

## 12. Notices

All notices, requests, consents and other communications required or permitted under these the Terms and Conditions shall be in writing and shall be sent by registered or certified mail, postage prepaid, or transmitted by telegram or TWX if confirmed by such mailing, to Buyer and Seller at their respective addresses as set forth in the Sales Documents to which these Terms and Conditions relate. Either party may change its address by written notice to the other.

## 13. Assignment

The rights of Buyer may not be assigned or transferred in whole or in part, by operation of law or otherwise, without the express written consent of Seller, which consent shall not be unreasonably withheld.

## 14. No Waiver

The failure by either party to enforce at any time any of the provisions of these Terms and Conditions, or to exercise any election or option provided herein, shall in no way be construed as a waiver of such provisions or options, nor in any way to affect the validity of these Terms and Conditions or the agreement for the sale of Goods to which these Terms and Conditions relate or any part thereof, or the right of either party thereafter to enforce each and every such provision.

## 15. No Other Warranty or Representation

Buyer hereby acknowledges that it has not entered into an agreement for the sale of Goods with Seller in reliance upon any warranty or representation by any person or entity except for the warranties or representations specifically set forth herein.

## 16. Entire Agreement

These Terms and Conditions together with the Sales Documents constitute the entire agreement and understanding between the parties concerning the subject matter hereof and supersedes all prior agreements, negotiations and understandings of the parties with respect thereto. No representation, promise, modification or amendment shall be

binding upon either party as a warranty or otherwise unless in writing and signed on behalf of each party by a duly authorized representative.

Although Buyer may use its standard purchase order form to give any order or notice provided for hereunder, said order or notice will be governed by these Terms and Conditions, and any term or condition set forth in any such standard form, which is inconsistent with or in addition to these Terms and Conditions, shall have no force or effect.

### 16.1 Seller's Acceptance of Orders Required

All orders are subject to Seller's acceptance and shall not be considered a contract until this acknowledgment is furnished. Any acceptance of Buyer's order is limited to acceptance of these express Terms and Conditions. Additional or different terms or any attempt by Buyer to vary in any degree any of the terms set forth in the Terms and Conditions are objected to and rejected, but such proposals will not operate as a rejection unless such variances are in the terms of the description, quantity, price or delivery schedule of the Products, but will be deemed a material alteration thereof and these Terms and Conditions will be deemed accepted by Buyer without such additional or different terms. Seller's commencement of work on the Goods or shipment of the Goods, whichever occurs first, shall be deemed an effective mode of Buyer's acceptance of the terms of these Terms and Conditions. Any variance of the Terms and Conditions will only be valid if such variance is in writing and signed by Seller's President, Chief Financial Officer or a Senior Vice President.

### 16.2 Seller's Right To Make Modifications

No changes or modifications in these Terms and Conditions will be made without Seller's prior written consent. Seller has the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost of or the time required for Seller's performance, an equitable adjustment will be made that is satisfactory to both Buyer and Seller. Buyer agrees to accept any such changes subject to this paragraph.

### 16.3 Seller's Acceptance of Orders, Required and Restrictions on Buyer's Cancellation of Orders

No Sales Documents relating to the sale of Goods shall bind Seller unless accepted by Seller. No order or agreement accepted by Seller may be cancelled without Seller's written consent.

## 17. Applicable Law

These Terms and Conditions shall be governed by the laws of the State of Colorado as such laws are applied to contracts between residents entered into and to be performed entirely within the State of Colorado without regard to the residence of the Buyer.

### 17.1 Governing Law as to Rights and Duties Under Contract

The parties acknowledge that the transaction with the Buyer for the sale of Goods bears a reasonable relation to the State of Colorado and agree that in the event of any dispute or disagreement between them relating to the agreement for the sale of Goods, the law of the State of Colorado shall govern their rights and duties. The parties specifically intend that the provisions of Article 2 of the Colorado Uniform Commercial Code will control as to all aspects of the Terms and Conditions and the Sales Documents, and their interpretation, and that all the definitions contained therein will be applicable except where these Terms and Conditions may expressly provide otherwise.

### 17.2 International Sale of Goods Contract To Be Governed by Uniform Commercial Code

Any transaction with Buyer for the sale of Goods and shall be construed in accordance with and all disputes shall be governed by the laws of the State of Colorado, U.S.A., specifically including the provisions of the Uniform Commercial Code, as adopted by that state, and excluding the provisions of the Convention on the International Sale of Goods. Seller submits to the jurisdiction of the courts located in the State of Colorado in the event of any proceedings therein in connections herewith.

## 18. Severability

The invalidity in whole or in part of any of these terms and conditions shall not affect the validity or enforceability of any other term or condition.