

## STANDARD TERMS OF SALE

1. Definitions. "Seller" shall mean Zorn-Cochrane Compressor & Equipment Inc. "Product" shall mean the property and/or service being sold (or leased). "Manufacturer" shall mean the company which manufactured the Product. "Buyer" shall mean the purchaser (or lessee) to whom the Seller is selling (or leasing) the Product.

2. Legal Effect. Seller hereby acknowledges Buyer's order of the Product, as an accommodation, subject to Buyer's acceptance of these Standard Terms of Sale. These Standard Terms of Sale incorporate the standard terms of sale of the Manufacturer that may be attached hereto. In the event the provisions of these Standard Terms of Sale are inconsistent with the provisions of the standard terms of sale of the Manufacturer, the provisions of the standard terms of sale of the Manufacturer shall control. Seller shall proceed with performance and will make shipment in accordance with these Standard Terms of Sale. Buyer's acceptance of the Product shall include and be acceptance of these Standard Terms of Sale. Unless expressly agreed to in writing by an officer of Seller, these Standard Terms of Sale shall represent the final, complete and exclusive statement of the agreement between the parties and may not be modified, supplemented, explained or waived by parole evidence, the Buyer's purchase order or a course of dealing. Buyer agrees that all actions or proceedings relating to this agreement may be brought only in the courts in the state of Wisconsin, located in Milwaukee County, Wisconsin. Buyer waives any objection it may now or hereafter have to the venue of any such court and any right it may have now or hereafter to claim that any such action or proceeding is in an inconvenient court. Nothing contained herein shall affect the right of the Seller to commence an action or proceeding in any other jurisdiction. The terms between Seller and Buyer shall be interpreted by the laws of Wisconsin; the terms between the Manufacturer and Buyer shall be governed by the laws of the State governing the agreement between Seller and Manufacturer.

3. Terms of Payment. Unless otherwise specified herein, the terms of payment shall be net cash (U.S. Dollars) within thirty (30) days after shipment (partial or complete). Prices stated herein are subject to adjustment to the prices in effect on the date of shipment. All shipments shall be F.O.B. point of shipment, unless otherwise specified herein. Seller reserves the right to demand full payment, in cash, before shipment, if Seller deems itself insecure by its perception of the financial condition of the Buyer and, if such demand is not satisfied within fifteen (15) days, Seller may cancel this agreement. Accounts past due shall bear interest at the rate of eighteen (18%) percent per annum or, if less, the highest rate of interest allowed by law, and Buyer shall pay all costs of collection, including reasonable attorneys' fees. If Buyer delays shipment, payments shall become due as of the date of such delay; if Buyer delays performance, Seller may require payment according to percentage of completion.

4. Taxes. All prices exclude present and future sales, use, occupation, license, excise and other taxes in respect of manufacture, sales or delivery, all of which shall be paid by Buyer, unless included in the purchase price at the proper rate, or unless a proper exemption certificate is furnished.

5. Conditions Precedent. Seller shall not be required to proceed with performance hereunder if Buyer is in default in the performance of this or any other agreement with Seller. Seller's performance is also subject to approval of Seller's credit department and Buyer shall furnish Seller with satisfactory evidence of financial responsibility, upon request. Seller reserves the right, prior to making any shipment, to require satisfactory security from Buyer or the performance of Buyer's obligations under this or any other agreement with Seller.

6. Shipping. Seller shall use its sole discretion regarding the best means of shipment. All transportation charges shall be Buyer's expense. All shipping dates given are approximate and neither Manufacturer nor Seller shall be liable for damages occasioned by delay in shipment resulting from any cause beyond Seller's reasonable control including, but not limited to, fires, acts of God, accidents, strikes or other forms of intervention, embargoes, or inability to obtain labor, equipment, materials or services. Any delays so occasioned shall effect a corresponding extension of Seller's or Manufacturer's performance dates which are, in any event, understood to be approximate. In no event shall Buyer be entitled to incidental or consequential damages for Seller's or Manufacturer's late performance or failure to perform.

7. Title. Full risk of loss (including transportation delays and losses) shall pass to the Buyer when the Product is ready to be shipped at the F.O.B. point, or if Seller, at the request of the Buyer, consents to a delay in shipment beyond the contract date. Seller shall retain title to the Product, for security purposes only, until paid, in full. Product shall remain personal property, regardless of how affixed to any realty or structure, until the Seller has been paid, in full.

8. Warranty. To the extent available, all warranties from the Manufacturer to the Seller are hereby extended to the Buyer, subject to the terms and conditions set forth herein.

A. The obligation of Manufacturer and Seller, as Buyer's sole and exclusive remedy, shall be limited, as Manufacturer and Seller may elect, to repair or replacement of any defective Product if the Manufacturer is properly notified within its Warranty Period. In the alternative, Manufacturer or Seller may, at its option, refund the purchase price, in lieu of repair or replacement of any defective Product. Any defective Product must be held for Manufacturer's or Seller's inspection and directed return to the Manufacturer, upon request, transportation charges prepaid.

B. The Warranty Period and conditions of warranty for any specific Product are as stated in the Manufacturer's specific warranty statement, or this agreement.

C. No Warranty shall be effective as to any claim which is not presented by Buyer to Seller, in writing, immediately upon discovery of any defect, with all identifying details, including serial number, type of equipment and date of purchase.

D. Neither Manufacturer nor Seller shall have any obligation for defects resulting from Buyer's, or any third party's, improper storage, installation or repairs, misapplication, misuse, negligence or accident.

E. AS BETWEEN THE BUYER AND SELLER, THE BUYER IS PURCHASING THE PRODUCT FROM SELLER "AS IS". EXCEPT AS SET FORTH HEREIN. NEITHER MANUFACTURER NOR SELLER MAKES ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE AS REPRESENTED OR WARRANTED BY THE MANUFACTURER, OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER, BUYER SHALL MAKE ANY CLAIM ON ACCOUNT THEREOF SOLELY AGAINST THE MANUFACTURER, AND BUYER HEREBY WAIVES ANY SUCH CLAIM AGAINST SELLER.

F. Equipment not manufactured by Manufacturer is warranted and guaranteed only to the extent and in the manner warranted and guaranteed to Manufacturer or Seller by the manufacturer thereof, and then only to the extent Seller or Manufacturer is able to enforce or extend such warranty or guarantee to, or on behalf of, the Buyer.

9. Indemnity and Limitations of Liability. To the extent Manufacturer holds Seller harmless, Seller will save Buyer harmless from any claims or causes of action for personal injury, death or property damage caused solely by negligence on the part of Manufacturer in the manufacture of any Product sold hereunder, provided that any proven defect in manufacture existed at the time of the Manufacturer's shipment of the Product. Seller's and Manufacturer's liability for any and all claims, damages, losses and injuries arising out of or relating to Seller's or Manufacturer's performance or breach of any term herein shall not exceed the purchase price of the goods. **IN NO EVENT SHALL MANUFACTURER OR SELLER BE LIABLE FOR INCIDENTAL, COLLATERAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, BUSINESS OR GOODWILL, LOSS OF PROGRESS OR CONSTRUCTION, LOSS OF USE OF EQUIPMENT OR FACILITIES, OR INCURRING OF MACHINERY OR FACILITY DOWNTIME. IN NO EVENT SHALL SELLER OR MANUFACTURER BE LIABLE FOR ANY CLAIMS, WHETHER ARISING FROM BREACH OF CONTRACT OR WARRANTY, OR FROM CLAIMS OF NEGLIGENCE OR NEGLIGENT MANUFACTURE, IN EXCESS OF THE PURCHASE PRICE.**

Buyer shall save Manufacturer and Seller harmless from any loss, claim or damage caused by negligence on the part of the Buyer or its designees in the servicing, repair, modification, assembly, demonstration, or application of any Product furnished by Manufacturer or Seller.

10. Performance, Inspection and Acceptance. Unless Seller specifically assumes installation, construction or start-up responsibility, all Products shall be finally inspected and accepted within five (5) days after receipt at point of delivery. Products not covered by the foregoing, and all work, shall be finally inspected and accepted within twenty (20) days after completion of the applicable work by Seller. All claims whatsoever by Buyer (including claims for shortages), excepting only those provided for under the Warranty clause hereof, must be asserted by Buyer, in writing, within said twenty (20) day period, or they are waived. Rejection may be only for defects substantially impairing the value of Products or work, and Buyer's remedy for lesser defects shall be those provided for under the Warranty clause.

11. Miscellaneous. This agreement may not be canceled or altered, except with the written consent of Seller, and upon terms which will indemnify Seller against all loss occasioned thereby. All additional costs incurred by Seller due to change in design or specifications, modification of this agreement or revision of any Product must be paid by Buyer. Written permission of the Seller must be secured prior to returning any Product for credit. The rights of Buyer hereunder shall neither be assignable nor transferable, except with the written consent of Seller. The Manufacturer and Seller reserve the right to change, discontinue or modify the design and construction of any Product, or to substitute material equal to or superior to that originally specified. Any action for breach of this agreement must be commenced within one (1) year after the cause of action is accrued. The Products sold hereunder are not designed or manufactured for use in or with any atomic installation or activity, and if Buyer intends to use them in any such installation or activity, Manufacturer's permission must be obtained, the terms of which, if granted, shall become part of this agreement.

12. Lease Option. In the event this agreement provides for the leasing of the equipment, with or without an option to purchase, the provisions of this agreement shall apply to the extent applicable to the lease transaction.

13. Security Agreement. Buyer, as Debtor, hereby grants a security interest to Cochrane Compressor Co., Inc., as secured party, in any and all right, title and interest which Buyer now may hereafter have in the equipment described above. In the event this is a lease transaction, this grant of a security interest shall not affect adversely the interpretations of this agreement as a true lease. Seller is hereby authorized to file this security agreement as a financing statement and is hereby authorized to add such additional information as may be necessary to comply with the formal requisites of a financing statement.

14. Wisconsin Construction Lien Law. **AS REQUIRED BY THE STATE OF WISCONSIN CONSTRUCTION LIEN LAW, SELLER HEREBY NOTIFIES BUYER THAT PERSONS OR COMPANIES FURNISHING LABOR OR MATERIALS FOR THE CONSTRUCTION ON BUYER'S LAND MAY HAVE LIEN RIGHTS ON BUYER'S LAND AND BUILDINGS IF NOT PAID. THOSE ENTITLED TO LIEN RIGHTS, IN ADDITION TO SELLER, ARE THOSE WHO CONTRACT DIRECTLY WITH THE BUYER OR THOSE WHO GIVE THE BUYER NOTICE WITHIN 60 DAYS AFTER THEY FIRST FURNISH LABOR OR MATERIALS FOR THE CONSTRUCTION. ACCORDINGLY, BUYER PROBABLY WILL RECEIVE NOTICES FROM THOSE WHO FURNISH LABOR OR MATERIALS FOR CONSTRUCTION AND SHOULD GIVE A COPY OF EACH NOTICE RECEIVED TO THE MORTGAGE LENDER, IF ANY. SELLER AGREES TO COOPERATE WITH BUYER AND THE BUYER'S LENDER, IF ANY, TO SEE THAT ALL POTENTIAL LIEN CLAIMANTS ARE DULY PAID.**