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STANDARD TERMS AND CONDITIONS

All sales by Codi Manufacturing Inc. ("Seller") are expressly conditioned upon acceptance of the terms and conditions as set forth below. Any additional or different terms or conditions set forth in any purchase order or any other previous or later communications are hereby objected to by the Seller. All orders and purchases of goods and services from Seller shall be deemed to be made pursuant to, and shall be subject to, these Standard Terms and Conditions. Seller expressly reserves the right to revise the terms of these Standard Terms and Conditions at any time without notice to Purchaser and Purchaser agrees that the terms set forth in the Standard Terms and Conditions in effect on the date of sale shall govern.

Prices - Prices shall be as provided in Seller's quotation or estimates. Prices do not include sales, use, excise, value added, or similar taxes. Where applicable, such taxes shall be paid by Purchaser. Any change in an order, including changes in quantity or request for partial releases, may be subject to adjustments in price or other terms, but all changes remain subject to these Standard Terms and Conditions unless expressly provided otherwise.

Reasonable Assurances - If Seller at any time becomes reasonably concerned about Purchaser's financial or other ability and intent to fully or timely perform all of its obligations, Seller may demand reasonable assurances, require full or partial payment before manufacture or shipment of any materials, and/or otherwise suspend any further performance until such assurances or payment has been received.

Shipment, Delivery and Acceptance - All sales in the contiguous United States are made F.O.B. point of shipment, with freight prepaid by Purchaser or freight collect to destination. Title and risk of loss shall pass to Purchaser upon delivery to the carrier at the point of shipment. Purchaser is responsible for all aspects of unloading and storage upon delivery. Shipping dates given in advance of actual shipments are only estimates by the Seller of the time between (a) receipt of an instruction to begin manufacture, of all necessary information, and down payment; and (b) delivery of the products to a common carrier. Under no circumstances shall Seller be liable for any delay in delivery, installation, commissioning, or training. Purchaser is deemed to have accepted products in good condition unless Purchaser notifies the Seller in writing within three days of receipt that product is defective or incomplete.

For International Shipments terms of Shipment will be Ex-Works and customer will be responsible for arranging freight from Seller's facility.

Access and Electrical Requirements - Purchaser is responsible for providing a building structure, foundations, and approach, and any other necessary building work in a condition suitable for the transport, reception, installation, and maintenance of the products, and will provide any necessary services, such as electricity, required for the installation and operation of the products. Necessary services shall be safe for use and in the location where the product will be erected.

Reverse Engineering - Purchaser will not reverse engineer or assist any other party with reverse engineering Seller's equipment (including, but not limited to, any equipment purchased from Seller, on loan from Seller, or any other equipment designed and/or built by Seller), and will notify Seller upon becoming aware of any other party having reverse engineered any of Seller's equipment.

Indemnification - Purchaser agrees to indemnify, defend and hold harmless Seller, its affiliates, and respective officers, directors, employees, and agents, from and against any and all claims, actions, damages, liabilities, costs, and expenses, including legal fees and expenses, arising out of or in any way connected with: (I) infringement of any intellectual property rights of third parties due to Seller's satisfaction of Purchaser's requirements; or (II) damage to Purchaser's property, or injury to Purchaser's employees other than damage or injury caused by the negligence or willful misconduct of Seller, its employees, or its agents.

Limitation of Warranties and Disclaimers - Seller makes no warranty as to component parts manufactured by third parties and any such parts are subject to the manufacturer's warranty only, if any. Seller shall use reasonable efforts to cooperate with Purchaser in connection with submission.

As to the balance of the goods, Seller warrants that such goods are free from defects in design or workmanship and conform to the specifications of the proposal for a period of 12 months after shipment by Seller or the production of one million (1,000,000) cans, whichever is sooner. Seller may elect to (I) have the Purchaser return the defective product to the Seller and refund the purchase price of the defective product, or (II) repair or replace the defective parts.

These warranties are void if the Purchaser or others fail to operate or install the products in accordance with operating and/or installation instructions, or otherwise misuse the products. Purchaser waives any warranty claim if it does not notify Seller in writing within 30 days of discovering the defect. Purchaser grants to Seller a right to inspect any claimed defects. International purchasers shall be responsible for any travel and lodging costs incurred by Seller in servicing the warranty outside the United States.

Except as to title and the above warranty, Seller makes NO OTHER WARRANTIES of any kind, express or implied. In particular, Seller makes NO WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, including any warranty of compliance with any plans or specifications. Purchaser acknowledges that it has not relied upon any oral or implied representation of any kind made by Seller in connection with any purchase, return, or other act or omission.

Limitation of Remedies - Regardless of the nature of or legal basis for any claim, including negligence, Seller shall not be liable for any SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES of any kind, including but not limited to lost profits or revenue, increased expenses or reduced efficiency, loss of use of products or facilities, the cost or value of labor of any kind, damage to reputation, expenses of litigation or other disputes with third parties, administrative or management time or services, claims of Purchaser's customers or others, and the cost of efforts to mitigate any damages. Under no circumstances will Seller be liable for any emotional distress or similar damages. In addition, Seller shall not be liable to Purchaser on any claim or set of related claims for a total amount in excess of the purchase price of the products or component of the products alleged to be nonconforming, defective in any way, or otherwise not provided in accordance with Seller's obligations. Any and all legal actions and claims by Purchaser against Seller shall be barred unless written notice thereof is received by Seller within 365 days of the date of the event giving rise to such action or claim.

Cancellations and Returns - Purchaser may not cancel all or any portion of an order after work begins or return any materials, except upon Seller's written agreement and the payment to Seller of (I) for non-customized products, a 25% restocking fee; and (II) for customized products, the total of (a) the anticipated profit margin of the Seller and (b) any expenses of the Seller incurred toward fulfillment of the order, including overhead, plus any expenses incurred in cancelling the order. Payments are due within 10 days of cancellation, and thereafter shall accrue a finance charge at the same rate as an unpaid invoice. In addition, if Purchaser wishes to cancel in part, Seller may elect to cancel the remainder of Purchaser's order without incurring any liability toward Purchaser and without waiving any rights under these Standard Terms and Conditions.

Assignment - Any assignment of any agreement with Seller or any rights thereunder, by Purchaser without the advance written consent of Seller shall be void.

Payment and Security -

Terms

50% of Total Contract amount due upon receipt of Purchase Order.

50% of Total Contract amount due prior shipment from Codi Manufacturing.

Purchaser agrees to pay all applicable Federal, State and Local Taxes.

All amounts not paid when shown due shall accrue a finance charge at the rate of (a) seven and one-half percent (7.5%) per month or (b) the highest rate allowed by law, whichever is lesser, until paid. Purchaser grants to Seller a security interest in the products delivered securing (I) the purchase price of those products, (II) the cost for installation, commissioning, and training for those products, and (III) all other obligations of the Purchaser under all contracts with the Seller.

Submittals and Shop Drawings -

Purchaser is fully responsible for the accuracy and appropriateness of all submittals, shop drawings, or other such communications and Seller shall have no liability or responsibility for any inaccuracies. Without limiting the generality of this provision, Purchaser acknowledges that Seller has no responsibility to (I) obtain approval or correction of, or (II) assure that any materials conform to anything other than Purchaser's specifications, submittals, or shop drawings.

No Waiver - Seller's failure to enforce its rights or remedies upon learning of any default or violation of any terms of any agreement with Purchaser shall not be construed as a waiver of any of Seller's rights or remedies, or of the default or violation.

Export Laws - If applicable, Seller's performance is subject to U.S. export laws and regulations, and Seller's failure to perform due to such laws and regulations shall not constitute a breach of this contract. Purchaser is responsible for compliance with any other nations' import laws and regulations.

Disputes - If any legal proceeding, including bankruptcy, is brought to enforce or interpret any agreement between Seller and Purchaser, or in any other way asserts claims based upon or related to any sales under any such agreement, the prevailing party is entitled to recover its reasonable attorneys' fees and related expenses (including, but not limited to, consultant and expert witness fees, the cost of title reports and asset searches, and travel expenses for witnesses and others) in amounts to be set by the court, in addition to costs and disbursements allowed by law. Any controversy or claim arising out of this proposal, sale and purchase of products, or installation, commissioning, and training must be commenced within one year after the cause of action has accrued.

The laws of the State of Colorado, other than those pertaining to conflicts of laws, shall exclusively apply to all aspects of the parties' relationship and dealings. The exclusive jurisdiction and venue for any legal proceeding relating to the parties' relationship, dealings or the goods, shall lie solely in Jefferson County, Colorado. EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE PROPOSAL OR THE GOODS.