- 1. Acceptance and Complete Agreement. All products (the "Products") furnished by Southern CaseArts, Inc. ("Seller") to the purchaser thereof (the "Buyer") are subject to the terms and conditions set forth herein (the "Terms"). Seller hereby objects to, and rejects, any additional or different terms which may be contained in any of the Buyer's Purchase Order, acceptance letter, acknowledgement or other forms, or in any other communication received by Seller from Buyer. Seller's failure to further object to any of the provisions contained in Buyer's documentation shall not be deemed a waiver of these terms and conditions. SELLER'S ACCEPTANCE OF ANY OR ALL OF THE BUYER'S ORDERS FOR PRODUCTS IS CONDITIONAL UPON BUYER'S ASSENT TO THE TERMS AND CONDITIONS IN THIS DOCUMENT, IN LIEU OF THE TERMS CONTAINED IN BUYER'S PURCHASE ORDER. These terms and conditions shall constitute the entire agreement between Seller and Buyer, superseding all prior oral or written communications and negotiations.
- 2. Purchase Orders. Buyer shall initiate all orders in written form via facsimile, e-mail, or US mail, through either of the following methods (each, a "Purchase Order"): (i) delivery to Seller of a signed acceptance letter accepting the stated terms of Seller's quoted proposal; or (ii) delivery to Seller of an order confirmation containing the following terms: (a) a list of the Product(s) to be purchased; (b) the quantity of each of the Product(s) ordered; (c) the requested delivery date; (d) the price for the Product(s) to be purchased; and (e) the delivery location (collectively, the "Basic Purchase Order Terms"). By placing a Purchase Order, Buyer makes an offer to purchase Products pursuant to these Terms and the Basic Purchase Order Terms, and on no other terms. Except with respect to the Basic Purchase Order Terms, any variations made to the Terms of this agreement by Buyer in any Purchase Order are void and have no effect.
- 3. <u>Substitutions</u>; <u>Modifications</u>. Seller shall have the right to make substitution of Product(s), provided that such substitution does not materially detract from overall Product form, fit and performance. Seller reserves the right at any time to make changes to Product(s), or otherwise discontinue Products, without liability or obligation to implement such change to any Product manufactured prior hereto.
- 4. <u>Cancellation; Rescheduling.</u> No rescheduling or cancellation shall be permitted following Buyer's issuance of a Purchase Order for the Products. At Seller's sole discretion, exceptions may be made only with Seller's prior written approval in each case. In the event of such an approved cancellation, Seller shall be hereof entitled to payment of the full price, less the amount of any expenses saved by Seller by reason of the cancellation. Seller reserves the right to cancel any orders placed by Buyer, or to refuse or delay shipment thereof, if Buyer (i) fails to make any such payment as provided in these terms and conditions or under the terms of payment set forth in any invoice or otherwise agreed to by Seller and Buyer, (ii) fails to meet reasonable credit or financial requirements established by Seller, including any limitations on allowable credit, or (iii) otherwise fails to comply with these terms and conditions. Buyer may not cancel any order due to Seller's breach unless Buyer has provided Seller with thirty (30) days written notice alleging such breach and such breach has not been remedied by Seller within such time period.
- 5. Returns. Any Product (Case or Parts) return shall be returned to Seller ONLY upon assignment of a Return Merchandise Authorization (RMA) number by Seller. Such RMA number must be displayed prominently on the outside of the box that contains the returned Product. Any Product returned to Seller without an RMA number will be refused and returned to Buyer at Buyer's expense. Case Returns will not be accepted by Seller for any reason other

than for: (i) verifiable Product defects or damage occurring within the warranty period, or (ii) incorrect shipments directly caused by Seller. Return requests involving damaged or incorrect shipments must be brought to Seller's attention within two (2) weeks of the original ship date. Seller reserves the right to reject any request regarding damaged or incorrect shipments submitted more than two (2) weeks after the original ship date. If Seller authorizes a return, Seller reserves the right to credit, replace, or repair material at its discretion. Parts Returns will only be accepted within 90 days of order shipment date, provided the parts are new/unused, and in the original packaging. Parts Returns will assess a 30% restocking fee.

6. Warranty. SELLER'S PRODUCT IS WARRANTED TO BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP UNDER NORMAL USE AND MAINTENANCE FOR A PERIOD OF TWELVE MONTHS FROM THE DATE OF STARTUP, AND NOT TO EXCEED 15 MONTHS FROM ORIGINAL SHIPMENT DATE. A NEW OR REBUILT PART TO REPLACE ANY DEFECTIVE PART WILL BE PROVIDED WITHOUT CHARGE, PROVIDED THE DEFECTIVE PART IS FOUND TO BE DEFECTIVE BY THE SERVICE DEPARTMENT OF THE SELLER AND SELLER RESERVES THE RIGHT TO REQUIRE THE DEFECTIVE PART BE RETURNED TO SELLER WITHIN TEN (10) DAYS OF CLAIM RECEIPT BY SELLER. THE REPLACEMENT PART ASSUMES THE UNUSED PORTION OF THE WARRANTY.

FOR A PERIOD OF 60 DAYS STARTING FROM THE DATE OF ORIGINAL SHIPMENT, THE SELLER WILL COVER THE COST OF LABOR FOR REPAIRS AND REPLACEMENT OF PARTS THAT IT HAS DETERMINED TO BE DEFECTIVE. THE COST OF LABOR WILL BE BASED ON STRAIGHT-TIME RATE AND REASONABLE TIME FOR THE REPAIR OF THE DEFECT. ALL LABOR CHARGES ARE SUBJECT TO APPROVAL BY THE SERVICE DEPARTMENT OF THE SELLER.

This warranty shall not apply:

- To any Product or any part thereof which has been subject to accident, alteration, negligence, misuse or abuse, operation on improper voltage, or which has not been operated in accordance with the Seller's recommendation, or if the serial number of the Product has been altered, defaced, or removed.
- 2. When the Product, or any part thereof, is damaged by fire, flood, or other act of God.
- 3. Outside the continental United States.
- 4. To travel time to and from repair site for labor associated with repairs or replacement of parts.
- 5. When the operation of Product is impaired due to improper installation.
- 6. For freight or shipping expenses.
- 7. To labor for replacement of parts which require no special tools or extensive mechanical expertise.

THIS PLAN DOES NOT COVER CONSEQUENTIAL DAMAGES. Seller shall not be liable under any circumstances for any consequential damages, including loss of profit, additional labor cost, loss of refrigerant or food products, or injury to personnel or property caused by defective material or parts or for any delay in its performance hereunder due to causes beyond its control.

All claims must include the following information:

- The model and serial number of the Product.
- The date of the equipment failure and location of installation.
- The name and address of the agency which performed the service work.
- A complete description of the equipment failure, circumstances relating to that failure, parts replaced and an itemized list of all labor charges incurred.

The Warranties are expressly in lieu of all other warranties, expressed or implied, and all other obligations or liabilities on Seller's part. The obligation to repair or to replace parts or components judged to be defective in either material or workmanship states Seller's entire liability whether based on tort, contract or warranty. Seller neither assumes nor authorizes any other party to assume for Seller any other liability in connection with Seller's Product. The foregoing shall constitute the sole and exclusive liability of Seller in Connection with Product.

- 7. Patents, Trademarks and Copyrights. The sale of any Products to Buyer in no way conveys to Buyer, either expressly or by implication, any intellectual property license whatsoever, except as may be granted by the Seller in the materials which accompany the Products upon delivery. Seller expressly reserves its ownership rights in and to its Products, and asserts that additional restrictions may apply to the use of the Products, as set forth in the applicable Product documentation and other materials which accompany the Products.
- 8. <u>Confidential Information.</u> Any documentation or data supplied by Seller to Buyer and marked "confidential" are proprietary and confidential to Seller. Seller retains for itself all proprietary rights to all designs, engineering details, and other data pertaining to any Products sold. Buyer agrees to use its best efforts to maintain the confidentiality of any proprietary documentation, data, or price quotes (whether marked "confidential" or not) supplied to it and not to disclose or use such documentation, data, or price quotes in any manner inconsistent with the purpose for which it was disclosed.
- 9. <u>Indemnification.</u> (a) Seller will defend Buyer from any suits that may be instituted by a third-party against Buyer for alleged infringement of any U.S. patent, trademark or copyright relating to Buyer's lawful use of the Products in Buyer's business. Seller's indemnification obligation hereunder is contingent upon Buyer: (i) having made all payments to Seller then due at the time the claim arises and not otherwise being in breach of any provision of these terms and conditions, (ii) providing Seller with immediate written notice of such claim and, upon Buyer's receipt, with all processes and papers served upon Buyer, (iii) permitting Seller through counsel of Seller's choice, either in the name of Buyer or in the name of Seller, the sole right to defend, and settle, the claim against Buyer, and (iv) providing Seller with all information, assistance and authority necessary for Seller to defend and settle such claim. The foregoing

states the entire liability of Seller for claims of intellectual property infringement relating the Products. Notwithstanding the foregoing, Seller shall not be responsible for: (i) any compromise or settlement made by Buyer without Seller's written consent, (ii) for infringements arising out of the combination of the Products with any other product, material or process not provided by Seller; and (iii) Seller's compliance with Buyer's designs or specifications.

- (b) Buyer shall indemnify, defend and hold harmless Seller and its affiliates, and each of their respective officers, directors, employees, agents and shareholders from any claim made against Seller or its suppliers, and any liabilities, losses, costs, expenses (including attorneys' fees and other costs of litigation) arising therefrom, that the manufacture or sale of Products supplied constitutes infringement of any patent, trademark, copyright or other intellectual property right, if such Products were manufactured pursuant to Buyer's designs, specifications, processes and/or formulas, provided Seller promptly notifies Buyer in writing of the claim and gives Buyer full authority, information and assistance (at Buyer's expense) for the defense of same.
- 10. <u>Delivery and Delay.</u> All quoted delivery dates are estimates only. Seller reserves the right to make delivery in installments; and all such installments, when separately invoiced, shall be paid for when due per Seller's invoice, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining deliveries. Claims for shortages or other errors occurring before delivery of the Products to the carrier may be made in writing to Seller within two (2) weeks after receipt of shipment; and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer, <u>provided</u> that such claims are subject to Buyer's compliance with Seller's RMA policy described in Section 4.
- 11. Shipment. All shipments are EXW (Incoterms 2010), i.e., Ex Works origin. Seller will arrange for transportation to Buyer at Buyer's address as stated in Buyer's Purchase Order and Buyer shall be responsible for all shipping charges, including but not limited to shipping, transportation, duties and insurance costs. The Products will be shipped under a straight bill of lading, naming Buyer as consignee. Forthwith after the Products have been delivered to a shipper for transportation to Buyer, Seller shall transmit the bill of lading to Buyer at Buyer's address as stated in Buyer's Order. Seller's responsibility for damaged goods ceases upon acceptance by carrier and all claims for loss or damage during shipment must be filed by Buyer with the carrier. Before leaving Seller's factory, each item is individually inspected and carefully packed for safe arrival at destination. In the event that visible damage, concealed damage or loss should occur, a claim must be made in writing by the Buyer against the delivering carrier within two (2) weeks after receipt of Product. The shipping container must be held for carrier's inspection in the case of visible or concealed damage.
- 12. <u>Storage.</u> Any Product(s) whose manufacture or shipment is delayed by causes which affect Buyer's ability to receive the Product(s) or at Buyer's request, may be placed in storage by Seller (at Seller's sole option) at Buyer's risk and Buyer shall pay storage charges at the prevailing commercial rates upon submission of invoices therefor.
- 13. <u>Price.</u> Buyer will be billed at Seller's prices stated at the time of Purchase Order acceptance by Seller. All prices and special terms offered by Seller will expire sixty (60) days from the date such pricing or terms were originally proposed by Seller. All prices are subject to adjustment on account of specifications, quantities, shipment arrangements or other terms and conditions,

which are not part of the original price quotation. If the prices are based on the purchase of a particular quantity of goods and Buyer fails to purchase that quantity which would justify the pricing granted, Seller shall have the right, in addition to any other remedies at law or equity, to recover from Buyer the difference between the stated price and Seller's standard prices for such goods in the quantity actually purchased by Buyer.

- 14. <u>Taxes and Other Charges.</u> Unless otherwise specified or required by law, all prices will be quoted and billed exclusive of customs, duties or taxes, and Buyer shall be responsible for all such applicable duties and taxes (exclusive of taxes on Seller's income). If exemption from such taxes is claimed, Buyer must provide a certificate of exemption at the time its order is submitted to Seller, and Buyer agrees to indemnify Seller for any unpaid taxes in the event such exemption is not applicable.
- 15. Payment. Seller's standard terms of payment are fifty percent (50%) of the total sales price due with Buyer's Purchase Order as a non-refundable deposit and the remaining balance of the total sales price due prior to product shipment (payment must be received ten (10) business days prior to shipment, if paid by check; two (2) business days if paid via Wire Transfer). All payments shall be made in U.S. dollars. Buyer is responsible for the Seller receiving the total amount for each invoice, and Buyer is responsible for any fees charged by third parties chosen by Buyer. Buyer may complete a credit application to be considered for open credit terms, however, such terms are contingent upon Buyer's creditworthiness and Seller reserves the right to revoke or modify its credit and/or payment terms at any time, in its sole discretion. If open credit terms are established, Payment of Seller's invoice is due within thirty (30) days of the invoice date. If delivery is delayed by Buyer, date of notice of readiness for delivery shall be deemed to be date of delivery for invoice purposes. Any late payments are subject to a finance charge of the lesser of 1.5% per month (18% per annum) or the maximum amount allowed by law. If Seller accepts partial payment in an amount less than the full amount of any invoice, such acceptance shall neither constitute a waiver of Seller's right to collect the balance nor an accord and satisfaction, notwithstanding Seller's endorsement of a check or other instrument. In the event of Buyer's bankruptcy or insolvency, Seller shall be entitled to cancel any order then outstanding without waiving any claims in law or equity. If Buyer fails to comply with these payment terms, Seller reserves the right to withdraw credit, suspend or cancel performance under any or all of Buyer's outstanding orders and all of Buyer's obligations to Seller shall become immediately due and payable. Buyer shall have no right to withhold any amount due Seller under these terms and conditions because of a claim Buyer may have against Seller. If Seller engages counsel in respect of any late payment or default, Buyer agrees to pay, in addition to the balance then due and owing, reasonable attorneys' fees and all costs of collection.
- 16. <u>Security Agreement.</u> Buyer hereby grants to Seller, its successors and assigns, a purchase money security interest in the Products to secure payment of the purchase price of the Products. Default in payment of such price or any part of the price when due shall permit Seller, in its sole discretion, to declare all obligations of Buyer immediately due and payable, and in such event, Seller shall have all the rights and remedies of secured party under applicable law. In connection with the security interest granted herein, Seller is expressly authorized, at its discretion, to file one or more financing statements or other notices under applicable law naming Buyer as debtor and Seller as secured party. Buyer agrees to execute such documents requested by Seller to record and otherwise perfect this security interest.

- 17. Limitation of Liability. (a) SELLER'S LIABILITY WITH RESPECT TO THE PRODUCTS SOLD HEREUNDER SHALL BE LIMITED TO THE WARRANTY PROVIDED IN PARAGRAPH 2 HEREOF AND, WITH RESPECT TO OTHER PERFORMANCE OF THESE TERMS AND CONDITIONS, SHALL BE LIMITED TO AMOUNT RECEIVED BY SELLER FOR ITS SALE OF THE PRODUCT GIVING RISE TO ANY CLAIM HEREUNDER. SELLER SHALL NOT BE SUBJECT TO AND EXPRESSLY DISCLAIMS: (I) ANY OTHER OBLIGATIONS OR LIABILITY, ARISING OUT OF BREACH OF CONTRACT OR WARRANTY, (II) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW, WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED (INCLUDING BUT NOT LIMITED TO WARRANTY SERVICES) BY SELLER. OR ANY UNDERTAKINGS. ACTS OR OMISSIONS RELATING THERETO, (III) ECONOMIC LOSS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE, AND (IV) ALL INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, INCIDENTAL AND CONTINGENT DAMAGES WHATSOEVER RESULTING FROM SELLER'S PERFORMANCE OR FAILURE TO PERFORM UNDER THESE TERMS AND CONDITIONS OR THE FURNISHING, PERFORMANCE OR USE OF ANY PRODUCTS SOLD PURSUANT HERETO, WHETHER DUE TO BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, PRODUCT LIABILITY, THE NEGLIGENCE OF SELLER OR OTHERWISE. (b) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER SPECIFICALLY DISCLAIMS ANY LIABILITY FOR PROPERTY OR PERSONAL INJURY DAMAGES, PENALTIES, DAMAGES FOR LOST PROFITS OR REVENUES, LOSS OF USE OF PRODUCTS OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE PRODUCTS, FACILITIES OR SERVICES, DOWN TIME, SHUT DOWN OR SLOW DOWN COSTS, OR FOR ANY OTHER TYPES OF ECONOMIC LOSS, AND FOR CLAIMS OF BUYER'S CUSTOMERS OR ANY THIRD PARTY FOR ANY SUCH DAMAGES.
 - (c) THE DAMAGE LIMITATIONS PROVIDED IN THESE TERMS AND CONDITIONS AND THE REMEDIES STATED HEREIN SHALL BE EXCLUSIVE AND SHALL BE BUYER'S SOLE REMEDY. THIS LIMITATION ON LIABILITY SHALL SURVIVE FAILURE OF ANY ESSENTIAL PURPOSE.
- 18. <u>Statute of Limitations.</u> Any action that Buyer may have against Seller alleging Seller's breach of any provision of these terms and conditions must be commenced in one (1) year following Buyer's discovery of any alleged breach or such claim shall be forever barred.
- 19. <u>Modification</u>; <u>Waiver</u>. No modifications to these terms and conditions herein shall be enforceable except when in writing and signed by both parties, unless otherwise expressly stated herein. Seller shall not be deemed to have waived any of its rights, powers, or remedies under these terms and conditions, or at law or in equity unless such waiver is in writing and is signed. No delay or omission by Seller in exercising any right, power, or remedy shall operate as a waiver thereof or of any other right, power, or remedy. No waiver by Seller of any default shall operate as a waiver of any other default, or of the same default on another occasion.
- 20. <u>Separability.</u> If any provisions of these terms and conditions shall be deemed illegal or unenforceable, such illegality or unenforceability shall not affect the validity and enforceability of any legal and enforceable provisions hereof which shall be construed as if such illegal and unenforceable provision or provisions had not been inserted herein, unless such illegality or

unenforceability shall destroy the underlying business purpose of these Terms and Conditions of Sale.

- 21. <u>Assignability.</u> Buyer may not assign these terms and conditions without Seller's prior written consent. Seller may assign these terms and conditions, and any order of Products, to an affiliate of Seller or to an acquirer of Seller's equity or its assets.
- 22. Force Majeure. Seller shall not be liable for any loss, delay or failure to perform resulting from any circumstance, direct or indirect, reasonably beyond its control including, without limitation, fire, flood, accident, explosion, mechanical breakdown, strike or other labor trouble, plant shutdown, unavailability of or interference with the usual means of transporting the Product or compliance with any law, regulation, order, recommendation or request of any government authority. In addition, Seller shall be so excused in the event it is unable to acquire from its usual sources and on terms it deems to be reasonable, any material necessary for manufacturing the Product. In the event that there should be a shortage of any Product, Seller may apportion its available Product among itself, its affiliates and all its customers in such equitable manner as it deems fair and reasonable. Any delivery date may be extended, at Seller's option, to the extent of any delay resulting from any force majeure event.
- 23. Governing Law; Exclusive Jurisdiction and Venue. These terms and conditions shall be governed and construed according to the laws of the State of Alabama, without reference to principles or conflicts of laws. Any action brought by either party wherein the subject matter thereof is these terms and conditions must be brought in any U.S. District Court or state court in the State of Alabama. Buyer waives any objection to jurisdiction or venue in respect of said Courts and to any service of process issued under their authority. Buyer agrees that it may be served by any method of process described in and authorized by the Federal Rules of Civil Procedure, or the Alabama Rules of Civil Procedure, as the case may be. Buyer further agrees that said Courts are the exclusive venues for any such action.
- 24. Export Controls. Buyer acknowledges that all shipments by Seller are or may be subject to restrictions and limitations imposed by United States export controls, trade regulations and trade sanctions. Buyer at all times will comply with such sanctions, controls and regulations and will cause compliance with such sanctions, controls and regulations in its use and disposition of the Products. With respect to each Product shipment pursuant to these terms and conditions, Buyer will obtain and supply to Seller in writing all information required by Seller to obtain any U.S. export license, permit, approval or documentation applicable to such shipment. Notwithstanding any contrary provision in these terms and conditions, Seller will have no obligation to make any shipment to Buyer until it has received all such information and has obtained the applicable licenses, permits, approvals or documentation for shipment, if any. If Seller learns, or has reasonable cause to believe, or if any branch or agency of the government of the United States claims, that a violation of any applicable trade sanctions, export controls or trade regulations has occurred or is likely to occur because of any shipment, Seller may, in addition to any other remedy it may have, suspend all shipments to Buyer. Buyer will indemnify and will hold Seller harmless from and against any claim, loss or liability arising out of any breach of the foregoing covenants contained in this section.