TIMKEN MOTOR & CRANE SERVICES LLC
STANDARD TERMS AND CONDITIONS OF SALE,
SERVICE, REPAIR, PARTS, MODIFICATION, MAINTENANCE, INSPECTION AND TEST

1. ACCEPTANCE
All orders are subject to acceptance by Timken Motor & Crane Services LLC ("Seller"). Any acceptance by Seller of Buyer's order is expressly made conditional on Buyer's assent to any additional or different terms and Conditions contained herein, and all sales and charges of the products listed herein shall be, in the case of conflict between the terms and conditions of Buyer and Seller, interpreted and governed exclusively by the terms and conditions contained herein. Seller shall not be bound by any terms and conditions proposed by Buyer, whether in Its purchase order or otherwise, which are additional to or different from the terms and conditions set forth herein, unless and only if accepted in writing by a principal officer of the Seller or his designated representative.

2. TAXES
The Seller's prices do not include any applicable sales, use, excise, value added or similar taxes; and the amount of any such tax which the Seller may be required to pay or collect will be added to each invoice unless the Buyer has furnished the Seller with a valid tax exemption certificate acceptable to the taxing authorities.

Where a Buyer fails to furnish the required documentation, the previously unpaid sales, use, excise, or similar tax will be billed to the Buyer.

If, upon subsequent sales, use, excise, or similar tax audit, an exemption certificate provided to the Seller by Buyer is, through no fault of the Seller, determined to be invalid, the Seller will attempt to acquire a valid exemption certificate, notarized affidavit of exempt use, or other necessary documentation from Buyer. If Buyer fails to timely furnish a valid exemption certificate, notarized affidavit or other necessary documentation, the previously unpaid sales, use or similar excise tax will be billed to Buyer.

3. TERMS
Progress payments are required for on any order exceeding $250,000. Payment shall be due thirty (30) days from date of invoice, which shall be the date of shipment or agreed progress payments as applicable. Amounts past due are subject to a service charge of 1 and ½ percent per month (or fraction thereof) or if less, the maximum contract rate permitted by law. If the Seller deems that by reason of the financial condition of the Buyer or otherwise, the continuance of any services or shipment on the terms specified herein is not justified, the Seller may require full or partial payment in advance. The Seller at its option may retain possession of equipment repaired, modified, inspected, tested, maintained or serviced under this agreement until its billings (final or progress) are paid. If such charges are not paid within 90 days following completion of the work and the invoicing to the Buyer, the Seller may upon not less than 7 days written notice by certified mail to the Buyer at the Buyer's last known address sell the equipment at public or private sale and apply the net proceeds to the Seller charge.

Upon Seller's approval in each case, portions of an invoice in dispute may be deducted and the balance remitted with a detailed explanation of the deduction. Such disputed amounts that are later paid are subject to the above interest charges from the original date due.

4. PRICE POLICY
In the event of a standard Seller price increase or decrease, the price of goods in order will be adjusted to reflect such increase or decrease. As it relates to price decreases, this does not apply to shipment held by request of Buyer. Goods already shipped are not subject to price increase or decrease. Orders placed on a bid or contract basis are not subject to this article and the mutually agreed upon terms within the bid or contract will apply. Seller's prices include the costs of standard domestic packing only. Any deviation from this standard packing (domestic or export), including U.S. government sealed packing, will result in extra charges. To determine such charges, consult Seller's sales offices. The minimum order amount is $20.

5. DELIVERY
Shipping dates given by the Seller are approximate and are based on prompt receipt of information, equipment, or access to the equipment at the customer's premise if work is performed on said premise.

The Seller will use its reasonable efforts to meet the scheduled dates, however, it cannot be held responsible for its failure to do so for causes beyond its reasonable control and in no event shall it be liable for any loss or damage resulting from its failure to deliver the services within the time specified herein.

6. SHIPPING/HANDLING CHARGES
Shipments are F.O.B. shipping point (or Ex Works) and Buyer assumes all risk of loss or damage to goods in transit, but except to the extent of Seller's proven negligence. Buyer's exclusive remedy for shortage, loss or damage in transit shall be a claim against the carrier. Shipping/handling will be prepaid and billed as a separate item on the equipment invoice on the basis of Seller's current shipping/handling policies. Seller assumes no responsibility for tariff classifications on carriers.

7. CHANGES
Buyer may, with the express written consent of the Seller, make changes in the specifications for equipment covered by the contract in such event the contract price and delivery dates shall be equitably adjusted. The Seller shall be entitled to payment for reasonable profit plus costs and expenses incurred by it for work and materials rendered unnecessary as a result of such changes and for work and materials required to effect said changes.

8. CANCELLATION
Undelivered parts of any order may be canceled by the Buyer only with the written approval of the Seller. If the Buyer makes an assignment for the benefit of creditors, if a voluntary or involuntary petition or action in bankruptcy or for reorganization or under any other insolvency law shall be filed by or against the buyer, if the Buyer shall admit its inability to pay its debts, if a trustee, receiver or liquidator is appointed for any part of the assets of the Buyer, or if the Buyer fails to make payments to the Seller in accordance with the terms hereof, the Seller may at its option cancel all undelivered parts or any order by written notice to the Buyer.

In the event of any cancellation of this order by either party, the Buyer shall pay the Seller the reasonable cost and expense, including engineering expense and all commitments to its suppliers and subcontractors, incurred by the Seller prior to receipt of notice of such cancellation, plus the Seller's usual rate of profit for similar work.

9. RETURN POLICY
Upon prior written approval in each case, the Seller may accept merchandise returns on items normally stocked by Seller under the following conditions. The Buyer contacts the Seller to obtain an RMA (Return Merchandise Authorization) number prior to returning the product. All returns must be made within 30 days of the date of invoice and be accompanied by the original invoice number and a brief explanation of the reason for the return. Return freight charges must be prepaid. All returned merchandise must be in original unopened packaging and in reasonable condition. Parts returned due to customer error will be charged a 25% restocking charge. Special order items are not returnable. Defective merchandise maybe returned within 90 day of the original invoice date.

10. ELECTRONIC DATA INTERCHANGE/FACSIMILE (FAX)
Orders placed hereunder by Buyer may be transmitted electronically or via FAX and in such event, such orders shall be subject to the terms and conditions contained in Seller's Electronic Data Interchange Agreement, in addition to the terms and conditions contained herein.

11. REGULATORY LAWS AND STANDARDS
The Seller makes no promise or representation that its product, services or work will conform to any federal, state or local laws, ordinances, regulations, codes or standards, except as particularly specified and agreed upon for compliance in writing as part of the quotation or contract between Buyer and Seller. The Seller prices do not include the cost of any related inspections or permits or inspection fees.

12. EXPORT CONTROL
Products and associated materials supplied or licensed under this agreement may be subject to various export laws and regulations. It is the responsibility of the exporter to comply with all such laws and regulations.

13. PRODUCT AND SERVICE STANDARD
The standards of OSHA, CMAA Crane Manufacturer's Association of America, NEC National Electrical Code, ASME American Society of Mechanical Engineers, AWS American Welding Society, AISC American Institute of Steel Construction will be used where agreed upon in each case and applicable in the manufacture of the crane and crane units. Products of Seller's design and original manufacture will comply with applicable federal government occupational safety, noise, environmental, health and sanitation standards. As related to Buyer's use of the products, Buyer is solely responsible for compliance of the products in their operation with any state or local laws, codes, rules or regulations, and for all necessary precautions and protections to insure the safety of persons, including when Sellers's products are used as a component of a larger installation.

14. WARRANTY

A. WARRANTY PERIOD

All sales, repair, inspection, test, rental service, modification or maintenance sold or serviced by the Seller is warranted to be free from defects of material and workmanship and to conform to any applicable drawings, specifications, or written documents approved by the Seller for a period of time as detailed below, or if different, such other period as included in Seller's quote:

1. Reconditioned components: no warranty unless otherwise agreed to by the parties.
2. Recondition and standard motor rewind: one (1) year in service or 18 months from date of shipment, whichever occurs first.
3. New Product Sales: one (1) year in service or 18 months from date of shipment, whichever occurs first.

The above warranties shall be based on such equipment operating with competent supervision under normal load, usage and conditions. For the warranty to apply, the Seller must be retained to perform any recommended servicing and to return to the site as recommended by the OEM after one year of operation to inspect and check, re-tension the core through bolts, etc. Seller's warranty excludes any seismic changes or those that arise from incorrect operation or improper maintenance, or external influences, such as overspeed of the turbine.

B. WARRANTY – REPAIR, MODIFICATION, REBUILD
If within the period specified above, the Seller receives from the Buyer written notice of any alleged defect or non-conformity and if the services provided are found by Seller not to be in conformity with this warranty (the Buyer having provided the Seller reasonable opportunity to perform any appropriate test thereon) the Seller will, at its option, correct such nonconformity or supply a replacement thereof. This warranty shall only apply to parts repaired or replaced by the Seller. No separate warranty shall apply to repaired apparatus as a whole or to parts not repaired or replaced by the Seller. The Seller shall have the right to require the Buyer to deliver any apparatus covered by this warranty to a designated service center and the Buyer shall pay both in-bound and out-bound transportation charges, with Seller accepting only the direct and actual cost of apparatus repair or replacement as provided above.

C. EQUIPMENT, COMPONENT AND PARTS WARRANTY
If any of the equipment or component parts provided by the Seller shall prove defective in material and/or workmanship within the warranty period, Buyer shall immediately thereupon notify the Seller in writing of such defect. Where the defect is found by Seller to be covered hereunder, the Seller shall, at its option, modify, repair, supply a replacement part or refund the purchase price of said item. The Seller shall have the option to have the part returned to it, F.O.B. its factory, or to make such adjustment at the point of installation. The Seller shall invoice for all travel and labor involved. The Seller shall accept no responsibility if such item has been improperly operated or maintained or if Buyer has permitted any unauthorized modifications, adjustments and/or repairs to the part. Parts not manufactured by the Seller shall be covered by the warranty of the manufacturer or supplier thereof.

D. WARRANTY – INSPECTION, TEST, MAINTENANCE, CALIBRATION, CONSULTATION
The Seller warrants that these services will be provided in accordance with accepted industry practice. If any service fails to meet the foregoing warranty, the Seller shall duplicate the service to the same extent and on the same conditions as the original service rendered.

E. REMANUFACTURED EQUIPMENT/COMPONENTS
All equipment components remanufactured by Seller will be warranted for a period of one (1) year from date of shipment. Repair of electronic boards will be warranted for a period of six (6) months from date of shipment.

F. NUCLEAR APPLICATIONS
NOTWITHSTANDING ANYTHING IN THESE TERMS TO THE CONTRARY, BUYER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER FROM ANY LIABILITY, COST OR EXPENSE ARISING OUT OF OR RELATING TO NUCLEAR MATERIAL AND CUSTOMER SHALL INCLUDE SELLER AS AN ADDITIONAL INSURED ON ANY POLICIES OF INSURANCE THAT COVER NUCLEAR DAMAGE OR LIABILITY AND SHALL WAIVE AND CAUSE ITS CARRIERS TO WAIVER SUBROGATION AGAINST SELLER UNDER SUCH POLICIES.

G. EXCLUSIVE WARRANTY
THESE WARRANTIES ARE IN LIEU OF AND EXCLUDE ALL OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTIES, INCLUDING WITHOUT LIMITATIONS, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL THE SELLER BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DLAMAGES, OR FOR ANY OTHER LOSS, DAMAGE OR EXPENSE OF ANY KIND, INCLUDING LOSS OF PROFITS ARISING IN CONNECTION WITH THIS AGREEMENT OR WITH THE USE OR INABILITY TO USE THE SERVICES FURNISHED UNDER THIS AGREEMENT. THE SELLER DOES NOT WARRANT THE DESIGN OF ANY EQUIPMENT, MATERIAL, COMPONENTS OR SERVICES OF OTHERS.

15. INSURANCE
Seller shall provide such insurance as is reasonable and customary for the work being provided and that is generally consistent with the coverage that Seller has provided to other customers for which it has performed similar work. Seller maintains the option to self-insure. As an alternative to additional insured designation if any, Seller's insurance may contain blanket contractual liability coverage.

16. SUBCONTRACTING
In providing the work, equipment and component parts hereunder, Seller reserves the right to subcontract the same to third parties.

17. PATENT INFRINGEMENT
The Seller shall defend any suit or proceeding brought against the Buyer so far as the same is based on a claim that any apparatus of the Seller's design furnished hereunder or any part thereof, constitutes an infringement of any United States patents, if notified promptly in writing and given authority, information and assistance (at the Seller's expense) for the defense of the same and if such alleged infringement is not the result of a design or other special requirement specified by the Buyer as the result of the application or the use to which such apparatus is put by the Buyer or others. The Seller will pay all covered damages and costs awarded in such suit or proceeding against the Buyer. In case such apparatus or part is in such suit held to infringe any such patent and the use thereof is enjoined, the Seller shall at its expense either, at its option, (a) obtain for the Buyer the right to continue using such apparatus or part, or, (b) replace the same with non-infringing apparatus, or (c) modify the same so that it becomes non-infringing or, (d) remove said apparatus and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability of the Seller to the Buyer for patent infringement.

18. TITLE
All scrap resulting from the work shall be the property of the Seller. The title and right of possession of equipment upgraded and modified under this contract shall remain with the Buyer, subject to any applicable lien rights of the Seller and to its right of sale in the event of non-payment as provided herein.

19. FORCE MAJUERE
Seller shall not be liable for any loss, damage, expense, cost, product failure, cover, non-performance, delay or breach caused or occasioned by acts of God or any governmental authority, labor disputes (including lockouts), unusual weather conditions, fire, flood, accident, unavailability of materials or components, or late delivery thereof, boycott, embargo, insurrection, riot, civil disturbance, war, exposure to conditions or processes not specified by Seller, or any other cause which is unavoidable or beyond Seller's reasonable control.

20. DISCLAIMER OF DAMAGES
IN NO EVENT SHALL SELLER BE LIABLE FOR ANY TYPE OF SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PENAL DAMAGES, WHETHER SUCH DAMAGES ARISE OUT OF OR ARE A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. Such damages which are disclaimed shall include but not be limited to loss of profits or revenues, loss of use of the equipment or associated equipment, cost of substitute equipment, facilities, down time costs, increased construction costs or claims of Buyer's customers or contractors for such damages. Buyer agrees that in the event of a transfer, assignment, or lease of the equipment sold hereunder that Buyer shall secure for the Seller the protection afforded to it in this paragraph.

21. LIMITATION OF LIABILITY
The Seller shall not be liable for any loss, claim, expense or damage caused by, contributed to by or arising out of the acts or omissions of Buyer or third parties, whether negligent or otherwise. Seller's liability to Buyer on any claim or cause of action of any kind in contract, tort or otherwise, for any losses, costs, damages, expense, statutory violation, fine or penalty, loss of use, non-performance, exercise of cover or any breach or fault by Seller whatsoever, shall be limited to the purchase price paid by Buyer for the portion of the products or services allocable to the part, component or work out of which the claim arose. Any suit arising hereunder must be commenced within one (1) year from the date the cause of action accrues.

22. DISPUTES
At the sole and exclusive election of Seller, any claim or controversy arising out of or relating to the transaction (s) between Seller and Buyer shall be settled by arbitration administered by the American Arbitration Association ("AAA") and judgment on the award rendered by the arbitrator (s) may be entered by any court or competent jurisdiction. The Arbitrator (s) shall be entitled to award the charges of the arbitrator (s) and the AAA to the prevailing party. Exclusive venue for any arbitration and for any court proceedings shall be as designated by Seller at the time of the action, and Buyer waives any defenses or objections to such venue and consents to such jurisdiction.

23. GOVERNING LAW, LIMITATION PERIOD AND FEES
These Terms and the transaction between Buyer and Seller shall be governed, interpreted and enforced in accordance with the laws of Colorado, without regard to its conflict of laws rules. No claim for breach of contract or warranty shall be asserted by Buyer in any court or arbitration proceeding after one year from the date the cause of action accrues. Seller shall be entitled to recover its reasonable attorneys' fees incurred in connection with collection of all or a portion and/or reasonable additional charges from Buyer.

24. NO RESPONSIBILITY FOR GRATUITOUS INFORMATION OR ASSISTANCE
If Seller provides Buyer with assistance or advice which concerns any parts/products/service supplied hereunder or any system or equipment in which any such part/product/service may be installed and which is not required pursuant hereto, the furnishing of such assistance or advice shall not subject Seller to any liability, whether based in contract, warranty, tort (including negligence) or otherwise.

25. INTERPRETATION
Should any term or provision contained in the contract contravene or be invalid under applicable law, the contract shall not fail by reason thereof but shall be construed in the same manner as if such term or provision had not appeared therein. All transactions covered by these terms and conditions shall be governed by the laws of the state of Delaware. This contract is not assignable by any party hereto; provided, however, that Seller may assign this contract to any purchaser of all or substantially all of Seller's business, whether by stock or asset sale, merger or any other similar transaction.

26. NO OTHER REPRESENTATIONS
There are no understandings, agreements, representations or warranties, either written or oral, relative to the goods that are not fully expressed in these Terms, which supersede or cancel any previous understanding or agreement between the parties with respect to the subject matter of the order. Any subsequent representation made by any person, including distributors, dealers, employees and representatives of Seller, which is inconsistent with or adds to these Terms shall not be binding on Seller unless approved in writing by an officer of Seller.