

Alto-Shaam Inc. Terms & Conditions of Sale

PLEASE READ THESE TERMS AND CONDITIONS CAREFULLY. THEY MATERIALLY AFFECT THE PARTIES' OBLIGATIONS. ALTO-SHAAM, INC. ("SELLER") WILL ACCEPT ORDERS AND DO BUSINESS ONLY ON THE TERMS AND CONDITIONS ON THIS FORM.

1. ACCEPTANCE AND AGREEMENT: The provisions on the face of the Seller acknowledgment and these Terms and Conditions of Sale constitute the entire agreement between Seller and the customer (the "Customer") with respect to the purchase and sale of the products covered hereby (the "Products"), and supersede Customer's purchase order and all other communication between the parties, whether written or oral. No purported modification or waiver of the provisions hereof shall be binding on Seller for any reason or purpose unless contained in writing signed by an authorized representative of Seller.

2. LIMITED WARRANTY AND REMEDY: Seller warrants to the original purchaser that any original part that is found to be defective in material or workmanship will, at Seller's option and as Customer's sole and exclusive remedy, subject to provisions hereinafter stated, be replaced with a new or rebuilt part. The labor warranty remains in effect one (1) year from installation or fifteen (15) months from the shipping date, whichever occurs first. Seller will bear normal labor charges performed by an authorized Seller service agent during standard business hours and excluding overtime, holiday rates or any additional fees. The parts warranty remains in effect for one (1) year from installation or fifteen (15) months from the shipping date, whichever occurs first.

THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE FOR LOSS OF USE, LOSS OF REVENUE OR PROFIT, OR LOSS OF PRODUCT, OR FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

3. LIMITATION OF LIABILITY: SELLER WILL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY LOST PROFITS OR LABOR COSTS, ARISING FROM THE SALE, USE OR INSTALLATION OF THE PRODUCTS, FROM THE PRODUCTS BEING INCORPORATED INTO OR BECOMING A COMPONENT OF ANOTHER PRODUCT OR FROM ANY OTHER CAUSE WHATSOEVER, WHETHER BASED ON WARRANTY (EXPRESSED OR IMPLIED) OR OTHERWISE BASED ON CONTRACT, ON TORT OR ANY OTHER THEORY OF LIABILITY, AND REGARDLESS OF ANY ADVICE OR REPRESENTATIONS NOT IN WRITING THAT MAY HAVE BEEN RENDERED BY SELLER CONCERNING THE SALE, USE OR INSTALLATION OF THE PRODUCTS.

4. DELAYS BEYOND THE CONTROL OF THE SELLER: Seller shall have no liability as a result of any delay or failure to manufacture, ship or deliver any Products to Customer if such delay or failure is directly or indirectly caused by fire, flood, strike, or other labor dispute, accident, inadequate transportation, shortage of labor, material or supplies, or due to regulations, priorities or orders of any governmental authority or due to any other cause, whether or not similar to the foregoing, beyond the reasonable control of Seller.

5. CANCELLATION: Seller must receive written notification of all cancellations and changes on in-house orders within 48 hours from date of order acknowledgment. Customer will be responsible for outgoing and return freight charges on orders shipped prior to the receipt by Seller of a written notice of

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cancellation or order change. Cancellation or changes to Customer's order will be subject to Customer's payment of Seller's 20% cancellation charges, which shall include all reasonable costs incurred by Seller in preparing to meet Customer's anticipated delivery schedule, including without limitation commitments made by Seller to its suppliers, and the cost of inventory (raw materials, work-in-process and finished goods) allocated to Customer's order.

6. SHIPMENT AND RETURNS: Seller reserves the right to select the manner and route of shipment unless Customer furnishes exact shipping instructions at least 5 days prior to shipment. Any Products which are not shipped as scheduled on account of Customer will be held at the sole risk and expense of Customer. All shipments for domestic sales (i.e., when the destination is within the United States) shall be F.O.B., point of shipment (within the meaning of the Uniform Commercial Code) and for export sales shall be Ex-Works, Seller's plant in Menomonee Falls, Wisconsin, U.S.A. (within the meaning of INCOTERMS 2010), unless otherwise stated on the face of the Seller acknowledgment. Prices are quoted based on these F.O.B. or Ex-Works terms, as applicable, unless otherwise specified. Prices include skidding, crating or boxing unless otherwise noted. Export processing and boxing for overseas shipment are at additional cost, as separately quoted. Customer agrees to assume all risks of loss or damage to the Products while being transported or enroute to truck or railroad, airway or other carrier direct to Customer. It is agreed that the carrier is to be the purchaser's agent for all purposes. Therefore, Customer must file claims for loss or damage directly with the carrier. Seller's responsibility ceases upon delivery, in good order, to the carrier. No returns will be accepted on special or custom built equipment or parts, or on equipment or parts older than ninety (90) days from the original date of shipment. Written permission must be obtained from Seller before returning any Products, and any Products returned without such written authorization will be refused as "Returned Shipment Unauthorized."

7. FAIR LABOR STANDARDS ACT: Seller certifies that all Products covered by this order have been manufactured in compliance with the Fair Labor Standards Act, as amended, and all other applicable government laws and regulations.

8. EQUAL OPPORTUNITY/AFFIRMATIVE ACTION CLAUSES: Seller certifies it is in compliance with Readjustment Assistance Act of 1974, as amended (38 USC 4212), and Section 503 of Rehabilitation Act of 1973, as amended.

9. PRICE CHANGES: Seller reserves the right to raise the prices set forth herein in connection with its adoption of a new price schedule or modification of an existing price schedule, provided such increase is generally applicable to Products of the kind covered hereby. Such revised prices shall be applicable hereunder on all shipments made on and after the effective date of the price change. Customer may upon receipt of notice of increase in prices of Products covered hereby, cancel that part of the order scheduled to be shipped within 4 weeks after the price notification and which will be subject to such increased prices, by written notice to Seller given within 7 days after its receipt of such notice.

10. CREDIT AND TERMS: All prices are stated in and shall be payable in U.S. dollars. If Customer's credit has been approved by Seller's credit department, terms of sale are net 30 days from the date of invoice except where different terms are stated on the face hereof. If Customer's credit has not been so

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approved, it will be required to make payment in advance or by some other means agreeable to Seller in its sole discretion. If Customer is new, credit approval will be expedited if Customer promptly submits the names, address and phone numbers of at least five trade references and the name, address and phone numbers of Customer's bank. All C.O.D. requests, whether requested by Seller or by Customer, must be paid by certified check. Each letter of credit required by Seller shall (a) be issued or confirmed by a prime U.S. bank acceptable to Seller, (b) be in the case of export shipments, subject to and governed by the Uniform Customs and Practice for Documentary Credits (ICC Publication No. 600, revised effective July 1, 2007), (c) otherwise be acceptable in form and substance to Seller, and (d) provide for payment to Seller of the full amount of the purchase price plus prepaid freight in U.S. dollars, and presentation by Seller of sight drafts, Seller's invoice and such other documents that shall be required by the letter of credit. All banking and other charges for such letter of credit will be for the account of the Customer.

11. **INFRINGEMENT:** Seller at its own expense will defend and hold Customer harmless from and against all damages, costs and expenses arising from any valid claim of infringement of any patent, trademark, registered design or other intellectual property rights caused by the Products originally manufactured by Seller, provided Customer (a) has not modified such Products, (b) gives Seller immediate notice in writing of a claim or institution or threat of suit, and (c) permits Seller to defend or settle the same, and gives all immediate information, assistance and authority to enable Seller to do so.

12. **SERVICE AND REPLACEMENT PARTS:** For seven (7) years from the shipping date of any Products, Seller will make available for purchase service and replacement parts with respect to such Products, unless such parts become obsolete for reasons beyond the reasonable control of Seller, including without limitation advances in technology or components not being available on commercially reasonable terms.

13. **WORK BY OTHERS; ACCESSORIES AND SAFETY DEVICES:** Unless otherwise agreed in writing, Seller has no responsibility for labor or work of any nature relating to the operation, use or installation of the Products, all which will be performed by Customer or others. It is the responsibility of Customer to furnish such accessory and safety devices as may be desired by it and/or required by law. Customer shall require its employees to use all safety devices, guards and proper and safe operating procedures to the extent set forth in operator and machine manuals and instruction sheets furnished by Seller. Customer is responsible for consulting any such manuals and instruction sheets, applicable OSHA regulations and other applicable sources.

14. **CONFIDENTIAL INFORMATION:** Customer acknowledges that all trade secrets, designs, specifications and other Confidential Information (as defined below) which may be disclosed to it by Seller shall at all times, both during and after expiration or termination of this agreement for any reason, remain the exclusive property of Seller and that Customer shall not acquire any proprietary interest whatsoever therein. "Confidential Information" means all knowledge and information disclosed by Seller to Customer orally or in writing, or acquired by Customer through observation, regarding Seller's products, technology, inventions, formulas, know-how, services, forecasts, sales methods, customer lists, customer usages and requirements, financial information, business plans, strategies and future

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business relationships, with the exception of such information which (a) was already part of the public domain at the time of the disclosure by Seller; (b) becomes part of the public domain through no fault of Customer (but only after and only to the extent that it is published or otherwise becomes part of the public domain); (c) was in Customer's possession prior to the disclosure by Seller and was not acquired, directly or indirectly, from Seller or from a third party who was under a continuing obligation of confidence to Seller; or (d) is received (after the disclosure by Seller) by Customer from a third party who did not require Customer to hold it in confidence and did not acquire it directly or indirectly from Seller under a continuing obligation of confidence. Except as necessary to perform its duties under this agreement, Customer shall not use or disclose any of such Confidential Information, but shall use the greater of the degree of care required by this agreement or the same degree of care given its own trade secrets and confidential information. Upon expiration or termination of this agreement for any reason, Customer shall, within 15 days, surrender to Seller all plans, drawings, specifications, sketches, pictures, films, tapes, computer disks, literature, samples, documents, other tangible objects and all copies thereof relating to trade secrets and other Confidential Information and all of Seller's property. Customer shall be permitted to destroy rather than return all analyses, extracts and summaries prepared by Customer which contain Confidential Information, and such destruction shall be certified in writing to Seller by an authorized officer of Customer who has supervised such destruction. Nothing in this agreement shall be construed to limit or negate the common or statutory law of torts or trade secrets where it provides Seller with broader protection than that provided herein.

15. **MINIMUM ADVERTISED PRICING (MAP):** If Customer is a distributor or dealer, Customer acknowledges that it has read the minimum advertising pricing policy of Seller set forth on Exhibit A attached hereto. Customer's compliance with this policy is in its sole discretion and is subject to Seller's right to implement the policy as provided therein in Seller's sole discretion.

16. **GENERAL:** (a) No modification or waiver of this agreement or any of its provisions is valid unless expressly agreed to by Seller in writing, and no waiver by Seller of any default under this agreement is a waiver of any other subsequent default; (b) no agreement is formed hereunder unless Customer's order is accepted by Seller in writing; (c) the unenforceability or invalidity of one or more of the provisions of this agreement will not affect the enforceability or validity of any other provision of this agreement; (d) **THE COMPLETE AGREEMENT BETWEEN SELLER AND CUSTOMER IS CONTAINED HEREIN AND NO ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS STATED BY CUSTOMER SHALL BE BINDING UNLESS AGREED TO BY SELLER IN WRITING;** (e) no course of dealing, usage of trade or course of performance will be relevant to supplement or explain any terms used in this agreement; (f) Customer may not assign any of its rights, duties or obligations under this agreement without Seller's prior written consent and any attempted assignment without such consent, even if by operation of law, will be void; (g) this agreement is governed by and shall be construed in accordance with the internal laws of the State of Wisconsin, including the Uniform Commercial Code as enacted by such state; provided, however, that the rights and obligations of the parties hereunder shall not be governed by the provisions of the United Nations Convention on Agreements for the International Sale of Goods; and (h) all export shipments hereunder are subject to compliance with all U.S. laws and regulations concerning exports. Customer agrees to comply with all such laws and regulations concerning use, disposition and sale of the Products.

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The provisions found in sections 1, 2, 3, 4, 11, 12, 13, 14, 15 and 16, and any other provision the performance or effectiveness of which naturally survives, shall survive expiration or termination of this agreement for any reason. Seller's management reserves the right to make final decisions on all order related policies and/or cancellation/change fees and/or waivers. Final determination of the decision rests with an officer of Seller or the President of the Company.

EXHIBIT A

MINIMUM ADVERTISED PRICING (MAP):

In order to encourage its distributors and dealers (collectively referred to as “Sales Partners”) in the United States to promote and invest in the marketing and sales of Alto-Shaam products, and to promote the perceived quality and value of those products, Alto-Shaam, Inc. is implementing this Minimum Advertised Price (“MAP”) Policy for advertising by U.S. Sales Partners. This MAP Policy relates to all types of advertisements and online sales described below under “Terms and Conditions under this MAP Policy.” The MAP Policy implements a minimum advertised price (“MAP Price”) on all new sales of current Alto-Shaam products. This MAP Policy applies only to U.S. Sales Partners for sales in the United States.

This MAP Policy is intended to assist in ensuring the continuation of Alto-Shaam as a premium manufacturer of high-performance, high-quality products and to protect the reputation of its name and products. It is designed to ensure that Sales Partners have incentives to invest the resources required to introduce consumers to Alto-Shaam products, to guide consumers to select and specify the Alto-Shaam products that are most appropriate for those consumers, and to provide educational and other support for Alto-Shaam products.

Terms and Conditions under this MAP Policy

1. **Applicable MAP Price.** The initial MAP Price for each Alto-Shaam product is the list price established by Alto-Shaam for that product, less 20 percent.
2. **Changes to MAP Price.** This MAP Price may be updated by Alto-Shaam, Inc. in its sole discretion as it deems necessary; thirty (30) days advance notice will be given on any updated MAP Prices before they are deemed applicable.
3. **Not a price restriction.** This MAP Policy applies only to online advertising and certain other price advertising as specified herein for products to be identified by Alto-Shaam. It does not apply to or restrict in any way the price at which the products are sold, which the Sales Partner sets in its sole discretion.
4. **Scope of the Policy.** This MAP Policy applies to all advertisements and online sales of Alto-Shaam products on the Internet; direct mail advertisements, including e-mails; inserts, fliers, magazine, newspaper and other print advertisements; broadcast advertising and billboards. This MAP Policy does not apply to in-store displays; in-store banners; in-store price markings; hang-tags; quotes, contracts or bids; catalogs; and internet site “check-out” or “shopping cart” pages where customers make their final purchase selection. In addition, this MAP Policy does not apply to password-protected sites for a single end-user that show pricing negotiated between a Sales Partner and that specific end-user.
5. **Online Advertising Restrictions.** If a Sales Partner sells on the Internet at a price less than the MAP Price, that price may be shown to a customer only when the product is added to that customer’s “shopping cart,” on the “check-out” page, in response to a specific request on a specific product from an

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individual customer, or on a password-protected site for a single end-user that shows pricing negotiated between a Sales Partner and that specific end-user. A Sales Partner may not:

- a. Display on its website anywhere except in the "shopping cart" or on the "checkout" page a price for an Alto-Shaam product that is less than the MAP Price;
 - b. Link its website to any site that advertises prices for Alto-Shaam products that are less than the MAP Price;
 - c. Use broadcast e-mails or place ads on any other Internet sites, including destination pages and third-party sites such as portal sites and shopping sites, advertising prices for Alto-Shaam products that are less than the MAP Price, including banner advertisements;
 - d. Use language or graphics on the Internet that state or suggest that any Alto-Shaam product is being sold at less than the MAP Price, except as allowed above at the shopping-cart level or in response to a specific customer request.
 - e. Respond to an individual customer's specific request for pricing information relating to a specific Alto-Shaam product by sending that customer pricing information relating to any other Alto-Shaam product, including any "master list" of prices for all Alto-Shaam products sold by that Sales Partner.
6. Combination with other Discounts. The inclusion in advertising of free or discounted products (whether made by Alto-Shaam or others) with an Alto-Shaam product covered by this MAP Policy would be contrary to this policy if the free or discounted product is tied to the covered Alto-Shaam product such that it has the effect of discounting the advertised price of the covered Alto-Shaam product below the MAP Price.
7. Discontinuation of a MAP Price and Special Promotions. Alto-Shaam, Inc. may discontinue or engage in promotions of products covered by the MAP Policy. In such case, Alto-Shaam reserves the right to modify or suspend the MAP Price for any product by notifying Sales Partners of such change.
8. Confidentiality. The terms and conditions of this MAP Policy are confidential and may only be disclosed to U.S. Sales Partners.
9. Consequences of Violating this MAP Policy. Alto-Shaam does not intend to do business with Sales Partners whose conduct discredits or degrades the image of Alto-Shaam or its products. Intentional and/or repeated failure to abide by this MAP Policy may result in Alto-Shaam unilaterally taking any or all of the following actions: disqualifying a Sales Partner from participation in Alto-Shaam rebate programs, suspending a Sales Partner's eligibility for discounts from Alto-Shaam, discontinuing the ability of a Sales Partner to purchase Alto-Shaam products directly from Alto-Shaam, or suspending or terminating the dealership or distributorship. Alto-Shaam is not required to provide notice or issue warnings before taking action under this policy.