

These Terms and Conditions constitute the complete understanding of the customer identified on the attached agreement ("Customer") and SchaeferRolls Inc., a Delaware corporation ("SRI" and together with the Customer, the "Parties") with respect to the matters addressed herein ("Terms") and together with the attached proposal and/or written acknowledgement of the Customer's purchase order ("Order") constitute the entire agreement of the Parties with respect to the Order ("Agreement"). Any contrary or additional terms or conditions submitted by the Customer, whether prior or subsequent to these Terms, are of no effect and do not constitute any part of the Agreement.

1. **GOODS AND SERVICES.** Any services to be provided by SRI shall be limited to the services described in the Order ("Services"). Any goods to be provided by SRI shall be limited to those identified in the Order ("Goods").
2. **PRICE.** Prices quoted are based on the Parties' best estimate of the condition of the roll to be serviced and/or covered. If physical inspection of the roll upon receipt by SRI is materially different than the estimated condition upon which the price was based, the Parties agree to renegotiate the quoted price in good faith or the Order may be cancelled by either Party in which event Customer will reimburse SRI for any costs incurred to the time of cancellation. Any tax or other government charge associated with production, sale or shipment of products and/or services being provided by SRI imposed by Federal, State, Municipal or other authorities will be paid by Customer. All prices are exclusive of freight unless specifically stated to the contrary in the Order.
3. **CHANGES AND ADDITIONAL ORDERS.** All additional orders and change orders are subject to acceptance and approval by SRI and are not binding unless and until accepted and approved by SRI in writing. Once accepted by SRI, additional orders and change orders will be subject to these Terms as though part of the Order and will become a binding contract which cannot be modified or canceled by Customer without written consent of SRI except in the event of a price increase initiated by SRI. SRI reserves the right to reject any order.
4. **SHIPPING.** Completion of manufacturing and shipping dates are approximate and subject to change. Customer shall ship any rolls or other goods to SRI in containers suitable for return shipment. If goods are received without suitable containers, SRI reserves the right to repair or replace container at Customer's sole expense. Any special handling requested by Customer will be provided at Customer's sole expense. SRI will ship all Goods via the least expensive means of transportation under the circumstances, unless Customer requests otherwise. If Customer provides no routing instructions, SRI shall determine in its sole discretion the best method of routing. Any claims for loss or damage in transit must be entered and prosecuted by Customer; SRI will cooperate with Customer in prosecution of such claims at Customer's sole expense.
5. **CANCELLATION.** SRI reserves the right, without liability and without prejudice to any other remedies, to suspend its performance, decline to ship, or stop any work in process if SRI determines in its sole discretion that Customer does not or may not have the financial ability to meet its obligations or if Buyer is past due in payment of any amount owed to SRI. In the event of cancellation of an Order for any reason other than as a result of material breach by SRI, Customer agrees to pay SRI's direct labor and material costs incurred by SRI in connection with the Order to the time of cancellation plus SRI's standard markup for such costs.
6. **FORCE MAJEURE/ DELAY.** Schedule dates are approximate and neither Party shall be liable for any losses or damages of any nature whatsoever incurred or suffered as a result of any failure or delay in performance due to any cause or circumstance beyond its reasonable control, including, without limitation, Acts of God, fire, war, terrorism, riot, explosion, accident, casualty, flood, inability to obtain fuel, power, labor or transportation facilities, governmental laws, regulations or orders, breakage or failure of machinery or apparatus, or labor trouble, strike, lockout or injunction. Should SRI be delayed due to the interference or negligent acts or omissions of the Customer, its officers, employees or agents, then, in addition to the schedule being modified, a change order shall be issued to reimburse SRI for costs incurred to re-establish the schedule. SRI will make all reasonable efforts to ensure that the timeliness of our work is consistent with our commitment; the term "time is of the essence" does not apply.
7. **WARRANTY AND LIMITATION OF LIABILITY.** All Goods and Services furnished by SRI in accordance with the Order shall be free of material defects for a period of one year from shipment or completion of Services. In the event of any failure to conform to this Warranty, SRI shall at its option and expense either repair the defect, correct the service or provide replacement Goods. SRI shall not be responsible for costs of dismantling or reassembling the product. THE WARRANTIES SET FORTH IN THIS PARAGRAPH ARE SRI'S SOLE AND EXCLUSIVE WARRANTIES. SRI MAKES NO OTHER WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS, IMPLIED, ORAL, WRITTEN OR OTHERWISE INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SRI OR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR AFFILIATES BE LIABLE FOR ANY INDIRECT, INCIDENTAL, RELIANCE, OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, DAMAGES ARISING FROM CLAIMS RELATED TO LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT OR OTHER DOWN TIME COSTS, WHETHER CLAIMED BY REASON OF BREACH OF WARRANTY, BREACH OF CONTRACT, INDEMNITY, CONTRIBUTION OR OTHERWISE. SRI shall have no liability for, and Customer shall indemnify and hold SRI harmless from claims arising from, any roll design, specifications, or other roll conditions or descriptions furnished by Customer or any other party. Customer accepts sole responsibility for the use of any technical information associated with the condition of the roll as delivered to SRI. Customer and SRI acknowledge that industrial roll service life and functionality has extreme variability which is principally a function of Customer's operation and maintenance of the roll in service. Any warranty by SRI shall be null and void and any claim deemed waived if Customer fails to deliver its claim in writing to SRI within fifteen (15) days of the date the defect to which a claim relates is discovered or should have been discovered.
8. **GOVERNING LAW.** The Agreement shall be governed and construed in accordance with the laws of the State of New Hampshire, without regard to conflict of laws principles.
9. **GENERAL PROVISIONS.** (a) Property. All data, calculations, reports, manuals, and drawings provided by or developed by SRI will remain the property of SRI and may not be reproduced, except for the Customer's use, or transmitted or disclosed to any party other than employees of the Customer without the prior written consent of SRI. (b) Exclusive Remedies. Notwithstanding anything herein to the contrary, the rights and remedies specifically set forth in this Agreement are the sole and exclusive rights and remedies available to the Customer. (c) Entire Agreement. This Agreement supersedes all previous agreements and understandings between the Parties of any nature whatsoever, verbal or written, and constitutes the entire understanding between the Parties. (d) Severability. Each paragraph of the Agreement is severable from the entire Agreement and if one provision hereof is declared invalid, the remaining provisions shall nevertheless remain in effect.