

**NORTHLAND CASTINGS CORPORATION
INVOICE ORDER TERMS AND CONDITIONS**

Seller's Terms and Conditions:

All orders are expressly conditioned on Buyer's assent to Northland Castings Corporation's (Seller's) sales terms only and not to terms and conditions appearing on Buyer's request for quote, purchase order or contract. Buyer waives any right to object to Seller's terms and conditions. Any purchase order received by Seller shall be construed as Buyer's written acceptance of Seller's offer to sell and Seller's terms and conditions of sale. Buyer's acceptance of goods shall be construed as Buyer's assent to Seller's terms and conditions. Seller's failure to object to terms contained in any communication from Buyer shall not be deemed a waiver of these express terms and conditions.

Seller's terms and conditions are as follows:

Prices:

Prices are subject to change without notice. All prices are F.O.B. point of manufacture. Prices invoiced will be those in effect at the time of shipment. Prices are subject to current surcharge, freight, and packaging, unless otherwise agreed upon by Buyer and Seller.

Terms of Payment:

Payments are to be made in U.S. funds. Unless otherwise specified, all invoices are due net 30 days from date of shipment. A 2% service charge shall be placed on all past due accounts, beginning the thirty-first day from the date of invoice.

Shipment:

Shipment will be made F.O.B. shipping point, at which time risk of loss shall pass to Buyer. Buyer waives any right to notification of shipment. Seller may, in its discretion, make partial shipments. Seller shall endeavor to ship goods within the specified time, but does not guarantee delivery.

Risk Of Loss:

Delivery of goods by Seller to carrier at the shipping point shall be deemed delivery of goods to the Buyer. Liability for loss or damage passes to Buyer upon delivery. Title to the goods passes to Buyer upon delivery subject to Seller's right of stoppage in transit to secure payment of the purchase price for the goods.

Force Majeure:

Seller shall not be liable to Buyer for any loss or damage suffered by Buyer, directly or indirectly, as a result of Seller's failure to deliver or delay in delivering goods, or failure to perform or delay in performing, any other term or condition hereof, where such failure or delay is caused by fire, flood, natural disaster, labor trouble (including without limitation strike, slowdown and lockout), war, riot, civil disorder, embargo, government regulations or restrictions of any and all kinds, expropriation of plant by federal or state authority, interruption of or delay in transportation, power failure, inability to obtain materials and supplies, accident, explosion,

act of God or other causes of like or different character beyond the control of Seller or Seller's suppliers. Any such delays shall excuse Seller from performance and extend Seller's time for performance during the continuance of such conditions and for a reasonable time thereafter. In no event shall Seller be liable for direct, indirect, special, incidental or consequential damages for any delay or non-performance.

Inspection Period:

Within 30 days of receipt, Buyer shall inspect the goods. Unless Buyer notifies Seller in writing of any nonconformities within 30 days of receipt, Buyer shall be deemed to have accepted the goods without qualification, and cannot, thereafter, reject any goods. Once accepted, goods are deemed to be fully conforming. If, as a result of an inspection carried out within 30 days after receipt of the goods, Buyer notifies Seller of nonconformity with the goods, Buyer shall give Seller such reasonable access to the location of the alleged nonconforming goods for purposes of verifying such nonconformity. If Seller and Buyer disagree about such nonconformity, Buyer and Seller shall agree upon a third party to inspect, test and sample the goods to determine whether such goods conform to any applicable specifications.

Claims and Allowances:

Seller shall not be liable for manufacturing defects for goods which pass without objection in the trade under the contract description or for goods which are of fair average quality. Claims of any kind or nature, except for latent defects, are specifically barred unless made in writing within 30 days after delivery to Buyer. Seller's limit of liability for defective goods shall be the difference in value on contract date of delivery between goods specified and goods actually delivered. The limit of Seller's liability for non-delivery shall be the difference, if any, between the contract price and the fair market price on the contract date of delivery of the goods to be delivered. In no event shall Seller be liable for direct, indirect, special, incidental or consequential damages for any delay or non-performance.

Castings Allowance:

Notwithstanding the preceding, castings may be subject to internal defects not evident upon visual inspection. Such defective castings shall be replaced by Seller at no charge to the Buyer. Alternatively, Buyer may opt to have its account refunded in the amount paid for the defective castings.

Warranty:

Seller warrants to Buyer all goods against defective workmanship and material for a period of 30 days from date of shipment, provided the goods are not damaged from any external cause, and that any defect has not been caused by misuse, careless handling, or is the result of an attempt to repair by any party other than Seller. Seller's warranties extend to Buyer only and to no other person.

Limitation of Warranty:

No claim under the above warranty shall be honored unless (i) it is submitted to Seller in writing within 30 days after discovery and on or before the thirtieth day after expiration of the warranty period, and (ii) Buyer shall cease to use the goods and give Seller a full written report supporting its claim. If Seller finds the goods to be defective, Seller will repair or replace such defective

goods without charge to the Buyer and will bear the cost of transportation for the defective goods. Except as provided by this paragraph, Seller shall not be liable for any labor, transportation or other expense required to replace or repair defective goods nor in any event for any direct, indirect, special, incidental or consequential damages arising out of or occasioned by a defect or failure of any goods sold to Buyer, nor for any loss arising from the use or resale thereof. SELLER PROVIDES NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION OF THE GOODS CONTAINED HEREIN.

Limitation of Damages:

Seller's liability with regard to the goods and/or this contract for any claims, costs, damages, losses, and expenses for which it is or may be legally liable, whether arising in negligence or other tort, contract or otherwise, shall not exceed the price for the goods. In no event shall Seller be liable for direct, indirect, special, incidental or consequential damages for breach of any of the provisions of this contract.

Limitation of Remedies/Action:

Buyer's exclusive remedies with respect to the goods shall be the repair of defective goods or, in the event the goods cannot be repaired, the refund of the purchase price or replacement of defective goods, whichever Seller chooses at its sole option. No action can be brought by Buyer more than one year from the date of delivery of the goods to Buyer.

Additional Purchases and Charges:

If substitute or additional goods, or repair parts, are purchased by Buyer from Seller, the terms and conditions of the contract created upon acceptance of this offer to sell shall be applicable thereto, the same as if such substitute or additional goods or repair parts had been originally purchased hereunder.

Termination By Seller:

Seller may cancel this contract in the event of Buyer's breach or on the occurrence of any of the following: Buyer's insolvency; filing by Buyer of a voluntary petition of bankruptcy; filing of an involuntary petition to have Buyer declared bankrupt; appointment of a receiver or trustee for Buyer; execution by Buyer of an assignment or composition arrangement for the benefit of creditors; filing of a voluntary or involuntary petition for reorganization of Buyer; or initiation by any party for any other proceeding involving Buyer as debtor under the Bankruptcy Act, as amended. In the event of any cancellation under this paragraph, Seller, without prejudice to any other rights available to it for breach of this contract, shall have the right (i) to refuse to deliver additional goods; (ii) to recover from Buyer the contract price of all goods delivered and for freight, storage, handling and other expenses incurred by Seller; or (iii) to sell elsewhere and charge Buyer with any resultant damages.

Repudiation By Buyer:

Buyer may not terminate the contract created upon acceptance of this offer to sell without Seller's prior written consent. If Buyer attempts to terminate without Seller's consent or otherwise repudiates this contract, Buyer shall be liable to Seller for (i) all of Seller's costs

incurred to date of repudiation; (ii) Seller's incidental damages; (iii) the profit Seller would have received from full performance of this contract.

Taxes:

Buyer shall pay any federal, state, county or municipal, use compensation, intangibles, gross income or like tax applicable to this transaction which is now in effect or may hereafter become effective, but not including taxes payable upon Seller's net income.

Attorneys' Fees:

If Seller seeks to enforce any of the terms hereof due to Buyer's breach, Buyer shall pay Seller's reasonable attorneys' fees and expenses.

Assignment:

This contract is binding upon and inures to the benefit of the parties and the successors and assigns of the entire business and goodwill of Seller or Buyer, but will not otherwise be assignable by Buyer. Seller may assign the proceeds of this contract. Nothing in this contract shall inure to the benefit of or be deemed to give rise to any rights in any third party.

Applicable Laws:

Unless otherwise specifically agreed upon by the parties, this contract and any dispute hereunder shall be governed by the laws of the State of Michigan.

Amendment:

No amendment or modification of this contract shall be binding upon Seller unless such amendment or modification is in writing and signed by a duly authorized representative of Seller.

Severability:

If any part of this contract is contrary to, prohibited by, or deemed invalid under applicable laws or regulations, such provision shall be deemed inapplicable and omitted to the extent contrary, prohibited or invalid, but the remainder shall no be less valid and shall be given effect so far as possible.

Entire Agreement:

This contract constitutes the entire agreement between the parties with respect to the subject matter and supersedes any prior written or oral agreements or communications between the parties. It may not be modified, except in a writing, signed by the parties.