

GENERAL TERMS AND CONDITIONS OF SALE

1. APPLICATION. These General Terms and Conditions of Sale ("Terms") govern, to the exclusion of all other documents, the sale ("Contract") of the TRIA America, Inc. ("Seller" or "TRIA") Products to the Customer. Any modification to these Terms shall be in writing, signed by Seller. Acceptance of Customer's purchase order shall not constitute acceptance of Customer's terms of purchase. All acceptances of orders and payment terms are contingent upon credit approval.

2. PAYMENT. Unless otherwise agreed by TRIA, the full purchase price is due and payable as to 30% upon acceptance of the order, as to 60% before shipment, and as to 10% balance net 30 days from the date of the final start-up test. All quoted prices are in U.S. Dollars and are subject to change prior to acceptance by the company. Payment for the Products shall be made to Seller at the bank account indicated by Seller in the Acceptance of Order. If Customer does not pay the purchase price for the Products (the "Purchase Price") when due, then Seller, at its sole option, may either cancel the Contract or extend without penalty the date for Seller's performance of obligations under the Contract by an amount of time approximately equivalent to the amount of time by which Customer shall have delayed any payment. The Purchase Price shall be increased by any extra costs incurred by Seller due to Customer's delay. CUSTOMER SHALL PAY INTEREST TO SELLER ON ANY UNPAID AMOUNTS AT THE RATE OF ONE AND ONE-HALF (1-1/2%) PERCENT PER MONTH FROM THE DUE DATE OR THE MAXIMUM INTEREST RATE, WHICHEVER IS LESS. SELLER'S RIGHT TO CHARGE SUCH INTEREST IS IN ADDITION TO AND NOT IN LIEU OF ANY OTHER RIGHT OR REMEDY SELLER MAY HAVE UNDER THE CONTRACT.

3. TITLE AND RIGHT OF POSSESSION. Title to the Products shall remain with Seller until the Purchase Price has been paid in full. Seller shall have the right to file a UCC-1 Financing Statement to perfect a security interest on all or any portion of the Products and any proceeds of sale of the Products, which will be held in trust for TRIA.

4. CUSTOMER'S DEFAULT. In addition to any other remedy available to Seller, if (i) Customer defaults in payment of any part of the Purchase Price when due, (ii) Customer fails to perform its obligations under the Contract, (iii) Customer becomes insolvent or bankrupt or a petition for appointment of a receiver is filed by or against Customer, (iv) Customer makes an assignment for the benefit of its creditors, (v) Customer sells all or substantially all of its assets, or (vi) Seller will deem that collection of the Purchase Price is insecure, then the full amount of the Purchase Price then unpaid shall become immediately due at the sole option of Seller, and if not paid immediately, Customer shall return the Products to Seller on demand and at Customer's sole cost. Seller shall retain all payments of the Purchase Price made prior to such an event as liquidated damages for use of the Product and not as a penalty. All rights and remedies of Seller are expressly reserved and are cumulative.

5. WARRANTY. a. All Products are guaranteed for a period of twelve (12) months or two thousand (2,000) hours after final installation date, whichever comes first, provided that the delivered Product has been commissioned by a TRIA-authorized technician, the final start-up is carried out by a TRIA authorized person and a start-up protocol is signed by TRIA service manager and by Customer (in the event that Customer does not sign the start-up protocol, Customer has seven (7) days to notify TRIA of any issues with the Equipment, or the start-up protocol will be deemed accepted and signed by the Customer on the eighth (8) day), only if (i) the products are installed, used, and maintained in accordance with the manuals provided by Seller to Customer and are used for the intended purpose, (ii) any such defect does not result from causes external to the Products after delivery, (iii) any such defect does not result from any modifications to the Products without the prior written consent of Seller, and (iv) Customer is not in default of any term under the Contract. Seller's obligation under this warranty shall be limited to the repair or replacement of any defective Product, Ex Works point of manufacture. Seller shall not be responsible for the cost of removal or installation of any such part found to be defective. If requested by Seller, Customer shall return such Products found to be defective to Seller, freight prepaid by Customer, for inspection once authorized by Seller's field service representative. This warranty may be voided at Seller's sole option, if Seller determines that there has been misuse, neglect or damage to the Products from improper maintenance or repairs. Normal wear items such as heating stripes, fuses, screens, knives, counter-knives, etc. are excluded from this warranty. b. It shall be Customer's

responsibility to comply with local ordinances and code requirements regarding installation of the Products. The warranties expressed in this section are extended to Customer only and are not transferable or assignable without Seller's prior written consent. Seller shall not be liable under the warranty on the Products unless Customer gives Seller immediate written notice of any claimed defect, including a detailed description of the problem or difficulty, and establishes to Seller's sole satisfaction that the Product has been properly installed, maintained and operated. Such written notice must be given to Seller immediately upon Customer's discovery of the defect within the warranty period. c. **No Other Warranties. THE WARRANTIES IN THIS SECTION ARE IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED AND OF ALL OTHER WARRANTIES OR LIABILITIES OF ANY KIND. SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR SELLER ANY OTHER OBLIGATION, WARRANTY OR LIABILITY IN CONNECTION WITH THE PRODUCTS. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, CUSTOMER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE AND SHALL NOT BE DEEMED TO HAVE MADE, AND HAS EXPRESSLY DISCLAIMED, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE, DESIGN, OPERATION, PRODUCTIVENESS, MERCHANT ABILITY OR FITNESS FOR USE FOR ANY PARTICULAR PURPOSE OF THE PRODUCTS OR ANY PART THEREOF, AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP WITH RESPECT TO THE PRODUCTS OR ANY PART THEREOF. THE SELLER DISCLAIMS ANY WARRANTY IF THE PRODUCT HAS NOT BEEN PROPERLY INSTALLED, AND ONLY ONLY IF SPARE PARTS AND COMPONENTS MANUFACTURED BY OR ON BEHALF OF TRIA HAVE BEEN USED.**

6. LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING IN THE CONTRACT TO THE CONTRARY, WHETHER SUCH LIABILITY IS A RESULT OF A BREACH OF CONTRACT, A BREACH OF WARRANTY, OR OTHERWISE, TRIA'S LIABILITY IS LIMITED TO THE VALUE OF THE CONTRACT, AND IN NO EVENT SHALL SELLER BE LIABLE TO CUSTOMER FOR ANY PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES RESULTING FROM LOSS OF USE OF THE PRODUCT, OR LOSS OF PROFITS OR INCOME.

7. DELIVERY, FREIGHT AND PACKAGING. Unless provided otherwise in the Acceptance of Order, the Product will be shipped 8-10 weeks after receipt of the Order by TRIA; Ex Works point of manufacture. Seller will package the Product in accordance with Seller's custom and experience. If not otherwise expressly agreed by Seller and Customer, the reasonable cost and expenses associated with such packaging shall be charged to and paid by Customer. A 3-weeks transit period shall be allowed.

8. SHIPMENT. Seller shall deliver the Products to a carrier for transportation to Customer's warehouse. All costs of transportation, including insurance for the Products in transit, shall be borne by Customer and all risks of loss shall pass to Customer when the Products are delivered to the carrier. All shipping and delivery dates are subject to Customer furnishing complete shipping and delivery instructions ten (10) days before the date of shipment, and subject to timely receipt of Customer's payment and documents, and subject to any changes that may be required by applicable governments or any of its agencies, to be considered approximate and not of the essence.

9. FORCE MAJEURE. Seller shall not be responsible for delays or failure to fulfill any obligation under the Contract due to strikes, fire, acts of nature, acts of God, embargoes, currency restrictions, labor shortages, war, terrorism, epidemics, civil riot, shortage of transport, import or export restrictions, shortage of materials or labor, restrictions in the use of power, or any other cause beyond Seller's reasonable control, even if Seller knew, had reason to believe, or was advised of the possibility of any such cause.

10. INSPECTION, STORAGE, AND WAREHOUSING. Customer shall open the crate and inspect the Products immediately upon its arrival at the delivery destination and shall within two (2) business days after delivery give written notice to Seller of any claim for damages, defects or nonconformity. Failure to give such notice within the stated period shall constitute an irrevocable acceptance of the Products and an admission that such Products have been received by Customer in good condition and free of damages. Any loss or damage to the Products that occurs during transportation, storage or after the Products have been accepted shall be the sole responsibility of Customer. Storage and handling of the Products after delivery at the

shipping destination shall be Customer's responsibility and at its sole cost and expense. All unloading, rigging, site preparation, electrical, water, air or dust extraction is the responsibility of the Customer unless otherwise provided in the Order Acceptance.

11. CANCELLATION; RETURNED GOODS POLICY. All orders received are final. No Product shall be returned to or accepted for return by TRIA without prior written authorization from the Customer Service Manager of TRIA. All returns are subject to Seller's inspection upon receipt. Credit will not be allowed for damaged or used material. Seller in its sole discretion, may apply standard restocking charges for the returned goods value. All goods authorized for return are to be shipped prepaid to Seller.

12. PATENT INFRINGEMENT. Seller shall, at its sole option, either indemnify, defend, or settle any suit or proceeding brought against Customer to the extent that it is based upon a claim that any of the Products infringes

upon a valid U.S. patent, provided that Seller is promptly notified of the claim in writing, has full control over all such litigation, and receives full cooperation from Customer. Seller shall have the option, in full settlement of all of its obligations under the Contract, to replace the Products with non infringing Products or to refund the price for any alleged infringing Product, or to modify the Seller Products so as to make it non infringing, and/or to procure a license for Customer's use thereof. Seller's sole liability to Customer in connection with any patent infringement shall be as set forth in this section. Seller shall not be liable to Customer for any patent infringement if the Seller Product is (i) used in a manner not specified in the Contract, (ii) used in a process, method or system not designed by Seller, or (iii) manufactured to Customer's specification or design.

13. TAXES, DUTY AND PERMITS. Sales tax, value added, property, use, excise, occupational tax or any other Federal, state or municipal tax, duties or surcharges, permit fees, registration and inspection fees and costs have not been included in the Purchase Price, and Customer hereby assumes and agrees to pay and/or reimburse Seller for any of the above taxes, assessments, duties, or fees arising out of the Project.

14. WAIVER. The failure of either party to enforce at any time any of the provisions of the Contract shall not be construed to be a waiver of such provisions or of the right of such party thereafter to enforce any such provisions. All terms of the Contract are deemed to be fully set forth herein, and no agent, salesman, or other party, is authorized to bind Seller by an agreement or warranty not set forth herein. The parties; status is that of independent contracting vendor and Customer. In the event any provision of the Contract proves to be invalid or unenforceable, such provision shall be disregarded and the non conflicting valid provisions of the Contract shall remain in full force and effect.

19. GOVERNING LAW; ARBITRATION; ATTORNEYS' FEES. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, exclusive of its conflict of law provisions. Any dispute between the Parties arising out of this Agreement shall be submitted to final and binding arbitration in the City of Charlotte, North Carolina, USA, under the Commercial Arbitration Rules of the American Arbitration Association then in effect. The arbitration shall be conducted by one (1) arbitrator, in the English language. Any arbitration award rendered shall be binding, final and conclusive upon all parties, and judgment thereon may be entered in any Court having jurisdiction thereof. The prevailing party shall be entitled to recover reasonable attorney's fees and costs from the other party.

20. ENTIRE AGREEMENT. The Contract represents the entire agreement between Seller and Customer and supersedes all prior negotiations, representations or agreements, express or implied. The Contract may be amended only by written instrument signed by Seller and Customer.