

CONSOLIDATED LAUNDRY MACHINERY TERMS & CONDITIONS OF ORDERS

The Terms & Conditions of Orders set forth below (“T&Cs”), together with the written information contained on the purchase order form to which these T&Cs are attached (such form and these T&Cs, together, the “Purchase Order”) shall apply to the products (“Products”) sold by Consolidated Laundry Machinery LLC (“CLM”) to the Buyer, all as described in the purchase order form, the terms of which are incorporated herein by reference to create an integrated agreement. The Purchase Order supersedes any terms and conditions set forth in any document provided to CLM by Buyer. The Purchase Order constitutes the entire agreement between parties with respect to its subject matter, and it merges all prior and contemporaneous communications. It may not be modified except by a written agreement signed by CLM and Buyer.

Acceptance and Cancellation Of Orders. Each order for Products is subject to acceptance in writing by a duly authorized officer of CLM; any written acknowledgment of receipt of an order shall not, in and of itself, constitute such acceptance. Orders accepted by CLM may be cancelled by Buyer only upon written consent of CLM. In the event of cancellation or other withdrawal of an order for any reason, and without limiting any other remedy which CLM may have as a result of such cancellation or other withdrawal, reasonable cancellation or restocking charges, which shall include all expenses then incurred and commitments made by CLM, shall be paid by Buyer to CLM. Special orders for items not normally stocked or including specially ordered Products are non-cancelable and non-returnable.

CLM is bound by all U.S. laws, export regulations, restrictions, trade embargoes, etc. (“U.S. Government Action”); therefore, any offer for the sale of Buyer to a non-US Buyer where sales are restricted by such U.S. Government Action, will not be valid and will be deemed not accepted without any liability whatsoever to CLM.

Price. Prices do not include sales, use, excise and similar taxes. Buyer will pay such taxes attributable to the sale of the Products covered hereby, or will provide CLM with tax exemption certificates acceptable to taxing authorities.

Any price quotations must be in writing and will automatically expire 60 calendar days from the date quoted. Verbal quotations are invalid unless confirmed in writing.

CLM reserves the right to increase the selling price of any Products ordered by Buyer but not shipped from CLM’s place of business prior to an increase in CLM’s cost of such Products and Buyer agrees to pay any price such increased price in according with the terms hereof.

Payment Terms. Payment terms are as set forth on the purchase order form. If payment is not timely received, interest will accrue at the rate of two percent (2%) per month on the unpaid balance or the maximum amount allowed by law, whichever is less, with a monthly minimum charge of ten dollars (\$10). Acceptance of any partial payment shall not constitute a waiver of CLM’s right to payment in full of all amounts owing from Buyer to CLM or the waiver of any other breach of the Purchase Order. Payment will be made in U.S. dollars and in immediately available funds. CLM, without liability, reserves the right to suspend any further performance under this Agreement or otherwise assert alternative payment terms, in the event payment is not made when due or if, in CLM’s sole discretion, Buyer’s credit is or becomes unsatisfactory. Buyer waives any right to setoff any claims by Buyer against CLM against any payment owed to CLM.

Independent Contractor. Buyer shall conduct its business for its own account, as an independent contractor, in its own name, and not as an employee, partner or joint venturer of CLM. Buyer has no authority to enter into any agreements or

arrangements on behalf of or in the name of CLM and has no authority to bind or obligate CLM.

Intellectual Property Rights. Buyer acknowledges and agrees that CLM has exclusive worldwide rights to the trademarks, trade names, trade dress, copyrights, slogans, logos, designs, patterns, specifications, research and development and other intellectual property rights used in connection with the Products, the names and/or marks “Consolidated Laundry Machinery,” “Tumble Green” the names of the Products, any and all derivations of any of the foregoing and all registrations and applications for registration of the same (collectively, “Intellectual Property”) which are and shall be exclusively in the name and for the benefit of CLM. Buyer shall make no use thereof at any time without CLM’s prior written consent. Buyer specifically acknowledges and agrees that its use of the Intellectual Property shall not create in the Buyer any right, title or interest in the same and all use thereof shall inure to the benefit of CLM.

Ordering and Shipping Terms. All shipments to the continental United States and Hawaii are Ex Works (Incoterms 2010) CLM’s warehouse, Pomona, California. Title and risk of loss pass to Buyer upon CLM’s making Products available to carrier. All Products will be shipped by means of transportation selected by Buyer. Buyer shall have a maximum of 5 business days after the date of delivery to inspect Products and notify CLM in writing of any damage or to note any shortages or rejected Products. On or before 30 days after the timely receipt of any such written notice, CLM shall either grant Buyer a credit or refund for, or replace any shortages or damaged Products for which CLM is responsible or any properly rejected Products, all in CLM’s sole discretion. Return of non-defective Products is prohibited. All requests for returns and damages must be authorized and given a return authorization number. Buyer is responsible for freight on all returns. CLM may make shipments of less than the full number of Products ordered by Buyer.

CLM shall not be obligated to release orders unless all previous shipments have been paid in full. Buyer hereby grants CLM a purchase money security interest in all Products obtained by Buyer pursuant to the Purchase Order and in all products and proceeds thereof, including, without limitation, accounts receivable, contract rights, deposit accounts and cash. CLM shall have the right to take such actions as reasonable and appropriate to perfect such security interests (including, without limitation, filing one or more financing statements, designating that Buyer segregate cash and proceeds in a deposit account subject to a control agreement in favor of Seller) and to give notice of thereof to Buyer’s other creditors, and shall have all rights of a secured party under the California Commercial Code or analogous statute in all relevant jurisdictions.

All scheduled or promised shipping dates are approximate and based upon availability of materials, production schedules, credit approval, and prompt receipt of all necessary information from Buyer. If shipment is delayed because of Buyer, CLM may, after

reasonable notice to Buyer, store the Products at a place of CLM's choice at Buyer's sole risk and expense. CLM will not be liable for any damage, loss, fault, or expenses arising out of or related to delays in shipment or other nonperformance of this Purchase Order due to any cause beyond CLM's control, including but not limited to a) strikes, fire, floods, disasters, riots and Acts of God, b) acts of Buyer, c) labor disruptions, d) shortages of fuel, power, materials, supplies, or transportation, d) domestic or foreign government action, or e) subcontractor or supplier delay.

Importing Expenses, Licensing & Regulations. For shipments outside the continental United States and Hawaii, Buyer is solely responsible for payment of any and all import expenses, duties, satisfaction of the respective licensing requirements, and compliance with all applicable laws, regulations and standards, which are required by any governmental authority to whose jurisdiction Buyer is subject or which has jurisdiction over the place to which Product is shipped.

Warranty. The attached CLM Product Limited Warranty is incorporated herein and forms a part of this Purchase Order.

CLM does not perform and does not warrant the installation (including, without limitation, plumbing and electrical hookup) of Products or any other products, systems, components or fixtures installed in connection therewith and is not responsible and accepts no liability therefor.

Buyer's Assumption of Risk, Covenants and Indemnity. Buyer assumes all risk, liability and responsibility for any loss, damage, cost and expense arising out of or resulting from the handling, use, storage, disposal, or application of the Products. Buyer hereby assumes and agrees to indemnify, defend, and hold CLM harmless from and against all liability, loss, cost, damage, expense (including reasonable attorney's fees) arising out of or in connection with claims by Buyer, its employees, customers, independent contractors, and any third parties based upon or resulting from the handling, use, storage, disposal, or application of the Products. Buyer warrants that the Products shall not be resold, transferred exported or reused in any way by Buyer in violation of any U.S. Government Action. Buyer will indemnify, defend, and hold CLM harmless, including reasonable attorney fees, court costs, and costs of investigation and defense, from any harm or damages or liability caused to CLM by any breach of the foregoing representations or for the failure to comply with any laws or regulations, including without limitations, U.S. Government Action.

Limitation on Liability. **CLM'S LIABILITY, IF ANY, WHETHER ARISING FROM BREACH OF WARRANTY, CONTRACT, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE WITH RESPECT TO ITS PRODUCTS IS LIMITED TO AN AMOUNT NOT TO EXCEED THE PRICE OF THE PARTICULAR PRODUCTS OR SERVICES GIVING RISE TO THE LIABILITY. IN NO EVENT SHALL CLM BE**

LIABLE FOR ANY INDIRECT, INCIDENTAL, LOST PROFITS, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, WATER DAMAGE TO STRUCTURES OR OTHER PROPERTY, WHETHER FORESEEABLE OR NOT, THAT ARE IN ANY WAY RELATED TO THIS PURCHASE ORDER, THE BREACH HEREOF, LOSS OF GOODWILL OR PROFITS, LOST BUSINESS HOWEVER CHARACTERIZED AND/OR FROM ANY OTHER CAUSE WHATSOEVER.

Subrogation. Buyer does hereby for itself and any parties claiming under or through it, release and discharge CLM from and against all hazards covered by Buyer's or any third party's insurance or self insurance retention, and all claims against CLM arising out of such hazards, including any right of subrogation by Buyer's or such third party's insurance carrier, are hereby waived by Buyer, and Buyer shall promptly so notify its insurance carrier.

Cause Beyond Control. The parties hereto shall not be liable for the nonperformance of any of their obligations hereunder, except nonpayment of amounts owing hereunder, if such nonperformance is occasioned by any war, government regulation or restriction of action, strike, lock out, accidents, storms, earthquakes, acts of terrorism, civil commotion, riot, fire, flood, accident, labor disputes, shortage or difficulty or inability to obtain materials for the manufacture of the Products, delay or failure in transportation or delivery, embargoes, "acts of God" or the public enemy or similar causes beyond the control of the parties hereto.

General. The Purchase Order shall be construed and controlled by the laws of the State of California, without regard to the choice or conflicts of law provisions of any jurisdiction. Buyer consents to exclusive jurisdiction and venue in the state and federal courts sitting in and for the County of Los Angeles, California. No suit or action that relates to the Purchase Order shall be commenced more than one year after the date hereof. In the event of any action to enforce the terms of the Purchase Order the prevailing party may be awarded its reasonable attorneys fees and costs. All agreement, covenants, conditions and provisions contained herein shall apply to and bind the assignees and successors in interest of Buyer. If any provision or portion of this agreement is held to be invalid, illegal, unconscionable or unenforceable, the other provisions and portions hereof shall not be affected. The several captions used herein are for the convenience of the parties only and shall not affect the construction or the interpretation hereof

Non-Waiver. CLM's failure at any time to insist upon strict performance of any term, covenant or condition of this Purchase Order shall not be deemed a waiver of CLM's right thereafter at any time to insist upon strict performance of the said term, covenant or condition.

END OF TERMS & CONDITIONS