

TERMS AND CONDITIONS OF SALE

1. **AGREEMENT OF SALE:** Any terms and conditions of the order which are inconsistent with these terms and conditions are rejected and will not be binding on Toro Design and Manufacturing LLC ("TDM") nor considered applicable to the sale or shipment of Products. No order shall be binding upon TDM until and unless accepted by authorizing shipment of the Products set forth on the order. TDM may refuse to accept any order for any cause which it may deem to be sufficient and shall not be liable for claims of any nature because of failure to accept an order. In the event that Buyer exports Products outside the United States, Buyer expressly assumes any and all liability, including but not limited to importation, exportation and all other local laws and regulations, associated with any resale or use by Buyer or any of Buyer's purchasers and TDM disclaims all responsibility for warranty for Products sold in violation of these restrictions.

2. **PRICES AND PAYMENT:** Prices shall be those in effect on date of shipment or on such other date as TDM may advise Buyer. Partial shipments may be employed against a single purchase order for various reasons (order change, short shipment, partial shipment, stockout, etc.), and partial shipments may be invoiced separately, resulting in more than one invoice against a single order. Invoices shall be payable in accordance with the payment terms set out therein.

3. **TAXES:** TDM's prices do not include any sales, transaction, turnover, or similar taxes which TDM may be required to pay in connection with filling any of orders. The amount of any applicable present or future such tax shall be paid as an additional charge, unless TDM has been provided with a tax exemption certificate acceptable to the taxing authorities.

4. **WARRANTIES:** TO THE FULLEST EXTENT PERMITTED BY LAW, TDM SPECIFICALLY EXCLUDES ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, EXPRESS OR IMPLIED (WHETHER BY STATUTE OR OTHERWISE), INCLUDING WITHOUT LIMITATION, CONDITIONS, REPRESENTATIONS OR WARRANTIES WITH RESPECT TO MERCHANTABILITY, VALUE, CONDITION, QUALITY, CAPACITY, FITNESS OR SUITABILITY FOR ANY PURPOSE OR USE BY BUYER OR ITS CUSTOMERS.

IN NO EVENT SHALL TDM BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OF ANY KIND. TDM'S MAXIMUM LIABILITY ARISING OUT OF A PRODUCT SHALL NOT EXCEED THE AMOUNT PAID FOR SUCH PRODUCT.

5. **DELAYS IN DELIVERY:** Orders accepted are subject to strikes, labor disputes, lockouts, accidents, fires, delays in manufacture or in transportation or delivery of materials, floods, severe weather or other acts of God, embargoes, governmental actions, or any other cause beyond the reasonable control of TDM, whether similar to, or different from, the causes above enumerated; and TDM, shall not be liable to Buyer for any damages arising from TDM's delay in delivery or failure to deliver as a result of any such cause. In the event of a scarcity in any of its products for whatever cause, TDM, may allocate their available supply as they see fit, regardless of the time of receipt or acceptance of orders or the quantity of orders on hand.

6. **CLAIMS:** Any claims against TDM for damaged Products shall be made in writing to TDM within fifteen (15) days after receipt of shipment. TDM's responsibility for shipments ceases upon transfer of risk of loss in accordance with Section 8 below, and any claims for delays or damages occurring thereafter shall be made by Buyer to the carrier. If Buyer believes that it has any other claim against TDM with respect to transactions arising out of this Agreement or any other agreement, Buyer shall present such claim to TDM in writing with full details as to the basis and amount thereof, within thirty (30) days after Buyer knows, or should have known, of such a claim. If Buyer fails to make any claim within the applicable time limits specified above, Buyer will not make said claim against TDM and any such claim shall be barred.

7. **CHANGES:** TDM may, at any time, without notice, make changes (whether in design, materials, the addition of improvements, or otherwise) in any Product, and may discontinue the manufacture of any Product, all in its sole discretion, without incurring any obligations of any kind as a result thereof, whether for failure to fill an order accepted by TDM, or otherwise.

8. **SHIPMENTS:** Shipment dates are approximate. Shipments of Products under an order accepted by TDM shall be subject to the approval by TDM of Buyer's financial condition at the time of shipment. Whether or not credit terms are specified elsewhere, TDM may, at its option, condition shipments under any order accepted by TDM upon receipt of satisfactory security or of cash before shipment. If, at Buyer's request, shipment of Products on an order accepted by TDM is delayed beyond the date Products are ready for shipment, TDM may require immediate payment in full, and /or assess additional charges for storage and other expenses incident to such delay. Shipments shall be made by TDM FOB Destination Buyer's premises Incoterms 2010, unless otherwise specifically agreed in writing between TDM and Buyer or the entity purchasing on Buyer's behalf. Legal title, beneficial ownership, risk of loss, and right to possession and control of Products passes from TDM to Buyer upon delivery FOB (Incoterms 2010) at Buyer's premises unless otherwise agreed in writing between TDM and Buyer.

9. **CANCELLATION:** In the absence of other written agreement between Buyer and TDM governing cancellation, any order accepted by TDM is not cancellable.

10. **RETURNS -** TDM will not issue stock buy backs for Products or accessories. Buyer is responsible for inspecting Product delivered by the carrier and noting any damage on the delivery receipt or refusing delivery. In limited instances, TDM may accept Products that have concealed damage, pursuant to TDM's then current Return Policy.