

Additional Terms and Conditions of Sale

1. ENTIRE AGREEMENT

Except as set forth below, the sale of products in this shipment shall be governed solely and exclusively by the terms and conditions set forth or referenced on the face and reverse side hereof. Any objection to these terms and conditions must be communicated by sending a letter or other specific written communication to the attention of Graco's Contract Administrator at the address set forth on the face hereof. Accepting or paying for any part of this shipment, or failing to object within 10 days of receipt of any part of this shipment shall constitute conclusive evidence of acceptance.

Except as set forth below, the terms set forth on the face and reverse side hereof hereby cancel and supersede any prior or contemporaneous negotiation or agreements, and any additional or different terms set forth on any purchase order, acknowledgment form, or other written or oral communication conveyed to Graco by Buyer are hereby expressly rejected.

Notwithstanding the above, in the event that Buyer is operating under a formal Graco Distributor, EDI, or systems agreement, Graco quotation or CED Policy, any conflicting or supplemental terms and conditions set forth in such formal agreement, quotation or policy shall prevail.

2. OBJECTION TO PURCHASER'S TERMS

Any term or condition of purchaser's order or other document which is different from, in addition to, or inconsistent with any term or condition of this document is hereby objected to by Graco and cannot be binding or effective against Graco unless accepted in writing by an officer thereof.

3. WARRANTY AND DISCLAIMER

Graco warrants all equipment manufactured by Graco and bearing its name be free from defects in material and workmanship on the date of sale by an authorized Graco distributor to the original purchaser for use. With the exception of any special, extended, or limited warranty published by Graco, Graco will, for a period of twelve months from the date of sale, repair or replace any part of the equipment determined by Graco to be defective. This warranty applies only when the equipment is installed, operated and maintained in accordance with Graco's written recommendations.

This warranty does not cover, and Graco shall not be liable for general wear and tear, or any malfunction, damage or wear caused by faulty installation, misapplication, abrasion, corrosion, inadequate or improper maintenance, negligence, accident, tampering, or substitution of non-Graco component parts. Nor shall Graco be liable for malfunction, damage or wear caused by the incompatibility of Graco equipment with structures, accessories, equipment or materials not supplied by Graco, or the improper design, manufacture, installation, operation or maintenance of structures, accessories, equipment or materials not supplied by Graco.

This warranty is conditioned upon the prepaid return of the equipment claimed to be defective to an authorized Graco distributor for verification of the claimed defect. If the claimed defect is verified, Graco will repair or replace free of charge any defective parts. The equipment will be returned to the original purchaser transportation prepaid. If inspection of the equipment does not disclose any defect in material or workmanship, repairs will be made at a reasonable charge, which charges may include the costs of parts, labor and transportation.

THIS WARRANTY IS EXCLUSIVE, AND IS IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

Graco's sole obligation and buyer's sole remedy for any breach of warranty shall be as set forth above. The buyer agrees that no other remedy (including, but not limited to, incidental or consequential damages for lost profits, lost sales, injury to person or property, or any other incidental or consequential loss) shall be available. Any action for breach of warranty must be brought within two (2) years of the date of sale.

Except as expressly set out in this warranty, Graco makes no representations, warranties or conditions, express or implied or collateral, concerning any goods or services and GRACO SHALL NOT BE LIABLE IN ANY MANNER FOR any other representation or warranty or condition of any kind, whether express or implied or collateral, or whether arising by operation of law or otherwise, including, but not limited to, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

In no event will Graco be liable for indirect, incidental, special or consequential damages resulting from Graco supplying equipment hereunder, or the furnishing, performance, or use of any products or other goods sold hereto, whether due to a breach of contract, breach of warranty, the negligence of Graco, or otherwise.

FOR GRACO CANADA CUSTOMERS

The parties acknowledge that they have required that the present document, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or in hereto, be drawn up in English. Les parties reconnaissent avoir convenu que la rédaction du présent document sera en Anglais, ainsi que tous documents, avis et procédures judiciaires exécutés, donné intentés à la suite de ou en rapport, directement ou indirectement, avec les procédures concernées.

4. DELIVERY

Graco shall not be liable for any delay in the production or delivery of any of the products referred to herein if such delay is due to fire, flood, accident, delay in transportation, inability to obtain material, war, embargo, demand or requirement of the Government, labor dispute, and/or any other cause whatsoever beyond the reasonable control of Graco.

5. TERMS OF PAYMENT AND PRICES

Subject to approval and continuation of approval of credit by Graco, the terms of payment are 30 days net from date of invoice. In the event Graco does not approve credit to the purchaser, or if at any time after approval of credit and before delivery, Graco in its sole judgment, decides that the extension of further credit is unjustified, terms of payment shall be those specified by Graco, including but not limited to C.O.D. or cash in advance. All payments shall be in the legal currency as stated on the invoice. All prices are subject to exception or change without notice. Pricing errors may be corrected at any time.

Graco reserves the right to select those qualified distributors to whom it will sell its products for resale. Distributor minimum billing is set forth in Graco price list, exclusive of all non-product charges.

6. PATENT INFRINGEMENT

Graco agrees to defend purchaser or its customer in any suit brought against them so far as it is based on a claim that any product or part thereof sold by Graco under this document infringes a United States patent, but only on the condition that Graco is notified promptly in writing of such claim, is given full authority to conduct such defense including the compromise or settlement of any claim, and provided further that purchaser has not prejudiced such defense by any admissions, statements or conduct. Purchaser further agrees to give Graco at Graco's expense whatever information, cooperation, assistance and authority Graco may reasonably require for such defense. Graco will not assume the defense of purchaser or its customers if the infringement is alleged to consist, either of the use of the product or part in combination with other devices, and/or of the modification or alteration of the product or part, unless Graco shall have specifically recommended such use or modification in its instruction manuals. Purchaser agrees to hold Graco harmless against any claim which arises out of Graco's compliance with purchaser's specifications. In no event will Graco be liable for any special, incidental or consequential damages, loss of profits or loss of revenue resulting from any infringement or alleged infringement. The foregoing states the entire liability of Graco for patent infringement.