

Snow Machines, Inc. Terms and Conditions of Sale (July 1, 2016):

1. **ACCEPTANCE.** This Contract of Sale is an offer by Snow Machines, Inc. (hereinafter "Seller") for the sale of goods and/or services listed on the face hereof (the "Product") and is governed by these Terms and Conditions of Sale ("Terms"). Any of the following acts by Buyer shall constitute its acceptance of the Contract of Sale and these Terms in their entirety: (i) acknowledging the Contract of Sale; (ii) issuing a purchase order for the Product(s) on the same or substantially the same terms as reflected on the face of the Contract of Sale; (iii) accepting delivery of the Product(s); or (iii) by other conduct which fairly recognizes the existence of a contract for the purchase and sale of the Product(s). Once accepted in accordance with the foregoing, the Contract of Sale, these Terms, any documents referenced therein, and any other documents signed by an authorized representatives of each Party, shall constitute the "Agreement." Seller hereby objects to any additional or different terms proposed by Buyer, whether in its purchase orders, RFQ materials or otherwise, as unacceptable to Seller, and such proposed additional or different terms shall not become part of the contract between Seller and Buyer and shall have no effect with respect to any purchases of Product(s) by Buyer. Seller's performance under any purchase order issued by Buyer is expressly limited to and conditioned upon Buyer's acceptance of the terms of the Contract of Sale and these Terms exclusively.

2. **PRICING.** The price(s) for the Product(s) are listed in the Agreement and are based on shipment being made EXW Seller's Midland, Michigan facility (Incoterms 2010). Unless otherwise indicated on the face hereof, all prices are exclusive of any applicable federal, state or local sales, use, excise or other taxes applicable to the manufacture, sale, delivery, use, import or export of any Products ordered by Buyer. Any and all such taxes shall be paid directly by Buyer. If Seller is required by law or otherwise to pay any such taxes, Buyer shall reimburse Seller for all such amounts upon submission of Seller's invoice for the same.

3. **SHIPMENT, TITLE, RISK OF LOSS AND RIGHT OF REPOSSESSION.** Shipment dates are estimated and not guaranteed and are based upon Seller's prompt receipt of all information required for manufacture of the Product(s) or otherwise. Unless otherwise stated in the Agreement, shipment shall be made EXW Seller's Midland, Michigan facility (Incoterms 2010). Title and the risk of loss of or damage to all Products sold will pass to Buyer upon delivery of the Products as determined by the applicable Incoterms term.

4. **INSPECTION.** The remedies afforded Buyer under paragraph 6 hereof entitled Limited Warranty and Remedies shall be exclusive for any non-conforming Product(s) but shall unavailable to Buyer if Buyer inspected or reasonably should have inspected the Product(s) and could have discovered the non-conforming Product(s) upon such inspection.

5. **PAYMENT.** Unless otherwise set forth in the Agreement, payment terms are Net 30 days from the date of invoice. All amounts past due may be, in Seller's discretion, subject to an interest charge of 1.5% per month. If, for any reason, Buyer is unable to pick up the Product(s) or accept delivery of the Product(s), as applicable based on the specified Incoterm, when made available by Seller, then Seller shall be entitled to immediate payment by Buyer of any remaining balance for the Product(s). Additionally, in such event, Buyer will be responsible for any and all additional costs incurred by Seller, including, without limitation, for handling and storage of the Product(s). Any storage costs incurred will be no less than \$200.00 per month. All such costs will be invoiced separately by Seller. To secure payment of the price payable under the Agreement and performance of all of Buyer's obligations under the Agreement, Buyer hereby: (a) grants to Seller a security interest in all Product(s); and (b) authorizes Buyer to file such financing statements and other documents, and agrees to execute such other documents and to do such other acts, as Seller may reasonably deem necessary or advisable to protect its rights in such Product(s). In the event Buyer breaches the terms or conditions of the Agreement, Seller shall have all the rights and remedies of a secured creditor under the Uniform Commercial Code. Seller is hereby granted a power of attorney on behalf of Buyer to execute all appropriate documents (including financing statements) to perfect and record such security interest.

6. **LIMITED WARRANTY AND REMEDIES.** Unless otherwise set forth in the Agreement, Seller warrants for a period of one (1) year from the date of delivery to Buyer that the Product will be free from defects in material and workmanship and will conform to the applicable specifications as stipulated in the Agreement.

In the event that the Product(s) is non-conforming with the foregoing warranty, as determined by Seller, Seller's sole liability to Buyer and Buyer's sole remedy under this warranty is limited to, at Seller's option, the repair or replacement of the non-conforming Product(s), Seller's re-performance of services, or a refund of the purchase price. For clarity, in the

Snow Machines, Inc. Terms and Conditions of Sale (July 1, 2016):

event that Seller chooses to repair or replace the non-conforming Product(s), any transportation, travel time, overtime, expedited shipping or other costs beyond the necessary parts and labor shall be the responsibility of the Buyer and shall be invoiced separately by Seller.

THE WARRANTIES SPECIFIED IN THIS SECTION 6 ARE EXCLUSIVE AND ARE GIVEN AND ACCEPTED IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. THE REMEDIES OF THE BUYER SHALL BE LIMITED TO THOSE PROVIDED HEREIN TO THE EXCLUSION OF ANY AND ALL OTHER REMEDIES. NO AGREEMENT VARYING OR EXTENDING THE FOREGOING WARRANTIES, REMEDIES OR THIS LIMITATION WILL BE BINDING UPON SELLER UNLESS IN WRITING AND SIGNED BY A DULY AUTHORIZED OFFICER OF SELLER.

7. **TERMINATION.** Seller may terminate the Agreement as a result of Buyer's: (i) breach, threat to breach and/or repudiation of any representation, warranty or other term of the Agreement; (ii) making an assignment for the benefit of creditors, or proceedings in bankruptcy or insolvency are instituted by or against Buyer; (iii) request for accommodation from Seller, financial or otherwise, in order to meet its obligations under the Agreement; (iv) entering or offering to enter into a transaction that includes a sale of a substantial portion of its assets or a merger, sale or exchange of stock or other equity interests that would result in a change in control within the meaning of the Internal Revenue Code and regulations issued thereunder; or (v) financial or other condition that could, in Seller's sole judgment, endanger Buyer's ability to perform. Buyer may terminate the Agreement only upon a material breach by Seller which remains uncured forty-five (45) days after Seller's receipt of written notice of such breach from Buyer or as otherwise agreed in writing by Seller. If this Agreement is terminated prior to delivery of the Product(s) for any reason, in addition to all other rights Seller may have hereunder or other at law or in equity, Buyer shall, within thirty (30) days, pay to Seller all costs incurred by Seller prior to termination directly connected with the Product(s) to be provided under the Agreement, including, without limitation, costs for finished Product(s), work in process, and raw materials and components.

8. **EXCUSABLE DELAYS.** Seller shall not be liable for any failure to perform or delay in performance when due to delays caused by acts of God, compliance in good faith with any applicable foreign or domestic government regulation or order, fires, floods, windstorms, other natural disasters, riots, wars, labor disputes (including strikes or lockouts), inability to obtain power, components, materials, transportation, or equipment or any other cause beyond the reasonable control of Seller.

9. LIMITATION OF LIABILITIES.

9.1 IN THE EVENT ANY REMEDY HEREUNDER FAILS OF ITS ESSENTIAL PURPOSE AND MONETARY DAMAGES MAY BE IMPOSED, SELLER'S LIABILITY, WHETHER FOUNDED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, ARISING OUT OF OR RESULTING FROM (I) THIS AGREEMENT OR THE PERFORMANCE OR BREACH THEREOF, (II) THE DESIGN, MANUFACTURE, DELIVERY, SALE, REPAIR, REPLACEMENT OR USE OF PRODUCT(S), AND/OR (III) THE FURNISHING OF ANY SERVICE, SHALL NOT EXCEED ONE AND ONE-HALF TIMES THE TOTAL PRICE OF THE PRODUCT(S) AND/OR SERVICES AT ISSUE IN THE CLAIM, EXCEPT IN THE CASE OF SELLER'S GROSS NEGLIGENCE AND/OR WILLFUL AND INTENTIONAL MISCONDUCT.

9.2 IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE DAMAGES, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, BUSINESS INTERRUPTION EXPENSES, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, OR REMOVAL AND/OR REINSTALLATION COSTS.

9.3 NOTWITHSTANDING ANYTHING TO THE CONTRARY, SELLER SHALL NOT BE RESPONSIBLE FOR, AND SHALL INCUR NO LIABILITY WITH RESPECT TO, THE FAILURE OF THE PRODUCT(S) TO COMPLY WITH ANY APPLICABLE ENVIRONMENTAL, LAND USE OR OTHER LAWS, STATUTES, REGULATIONS, RULES, ORDINANCES, GUIDELINES, OR PERMITTING OR OTHER REQUIREMENTS (COLLECTIVELY,

Snow Machines, Inc. Terms and Conditions of Sale (July 1, 2016):

“ENVIRONMENTAL AND OTHER REQUIREMENTS”). BUYER ACKNOWLEDGES AND AGREES THAT IT SHALL BE SOLELY RESPONSIBLE FOR ENSURING THAT THE PRODUCT AND ITS USE BY BUYER COMPLY WITH ALL SUCH ENVIRONMENTAL AND OTHER REQUIREMENTS.

10. INTELLECTUAL PROPERTY. In the absence of a written agreement to the contrary, all right, title to, and interest in all intellectual property (including patents, trade secrets, copyright, design rights, and trade marks) and materials (including all plans, diagrams, specifications, designs, data, drawings and models) which are developed, designed or generated by Seller prior to and/or in the performance of the Agreement shall be owned by Seller as legal and beneficial owner. All right, title to and interest in all intellectual property (including patents, trade secrets, copyright, design rights, and trade marks) and materials (including all plans, diagrams, specifications, designs, data, drawings and models) which are developed, designed or generated by Buyer prior to and/or in the performance of the Agreement shall be owned by Buyer as legal and beneficial owner.

11. INDEMNIFICATION. To the fullest extent permitted by law, Buyer expressly agrees to indemnify and hold harmless Seller, its affiliates, officers, directors, employees, agents, successors and assigns (“Indemnitees”) and defend the Indemnitees from and against any and all claims, liabilities, lawsuits, losses, costs, expenses, or damages (including reasonable attorney and professional fees) of any kind or nature whatsoever, including, without limitation, claims for personal injury (including death) or property damage, whether such claims are premised on contract, tort or otherwise, including strict liability, which arise out of or result from, or are in any way related to the Agreement and/or the Product(s) sold hereunder, except to the extent of Seller’s willful misconduct or gross negligence.

Seller’s obligation to indemnify, defend and hold Buyer harmless arising from any set of facts is limited to: (i) claims brought by third-parties unrelated to Buyer; (ii) the damages are caused by a non-conforming Product and/or Seller’s negligence; and (iii) Buyer is without fault. Provided all of the foregoing conditions have been met, Seller shall, at its own expense, either settle said claim, suit or action or shall pay all damages excluding any and all incidental, indirect, accidental or consequential damages, and costs awarded by the court therein (“Seller’s Defense Obligation”). All liability shall be apportioned in relation to the fault of Seller, Buyer and any third party which might be liable.

12. SETOFF. Buyer acknowledges and agrees that it may not set off or otherwise debit against or recoup from any amounts due or to become due to Seller, any amounts due or become due to Buyer, unless and until Seller agrees in writing to such setoff or recoupment.

13. CONFIDENTIALITY. Any and all information, in whatever form transmitted, and items embodying information disclosed by or on behalf of Seller to the Buyer or to which Buyer is exposed (“Confidential Information”), shall be held by Buyer in strict confidence and used solely for the purpose of doing business with Seller. Buyer shall not disclose or transfer any of Seller’s Confidential Information, either directly or indirectly, to any third party without the written consent of Seller.

14. ASSIGNMENT. Buyer may not assign this Agreement, in whole or in part, without the prior written consent of Seller.

15. RELATIONSHIP OF THE PARTIES. Buyer and Seller are independent contractors, and nothing contained herein makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or create any obligation on behalf of the other party.

16. GOVERNING LAW, JURISDICTION, FEES AND STATUTE OF LIMITATIONS. The validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, and any and all related matters shall be governed by the laws of the State of Michigan. The Parties hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the applicable state and federal courts of the State of Michigan. Buyer shall pay Seller’s reasonable attorney fees, costs, and expenses incurred in enforcing any provision of this Agreement.

Snow Machines, Inc. Terms and Conditions of Sale (July 1, 2016):

17. **ENTIRE CONTRACT.** This Agreement contains the entire understanding of the parties and is intended as a final expression of their agreement and a complete statement of the terms thereof, and may not be amended, modified or otherwise supplemented unless any such amendment, modification, or supplementation is done so in writing and explicitly references this Agreement and is signed by both authorized representatives of both parties hereto.