

## **Terms and Conditions / Warranty / Limitation of Liability**

These terms and conditions are the exclusive terms and conditions related to any order placed with or accepted by Seller. THE PLACEMENT OR ACCEPTANCE OF ANY ORDER INDICATES BUYER'S COMPLETE AND UNCONDITIONAL CONSENT TO AND ACCEPTANCE OF THESE TERMS AND CONDITIONS. The formation of any contract and Buyer's acceptance of any order is expressly conditioned on acceptance of all the terms and conditions of this Agreement. Any additional, inconsistent, or differing terms or conditions proposed by Buyer are hereby rejected by Seller.

1. **PRICING**

Published prices and quoted prices are in US Dollars and unless otherwise specified, are subject to change without notice based on quote expiration and cost escalation clauses.

2. **PAYMENT**

Subject to approval of Buyer's credit, the full net amount of each invoice is due and payable in cash within thirty (30) days of shipment unless otherwise provided in writing. Payment by major credit card is also accepted with a 3% fee added to the amount of the invoice. If, in the judgment of the Seller, the financial credit of Buyer at any time does not justify continuance of production or shipment of any product(s) on the payment terms herein specified, Seller may require full or partial payment prior to completion of production or shipment, or may terminate any order, or any part thereof, then outstanding. Accounts more than 60 days past due will be subject to a late charge at the rate of 1.5% per month or the highest rate permitted by applicable law, whichever is lower. As security for the full and prompt payment, in cash, of any amounts due under this agreement, Buyer hereby grants to Seller a security interest in any goods furnished by Seller to Buyer. Buyer hereby irrevocably designates and appoints the Seller as its agent and attorney-in-fact for and on Buyer's behalf to execute and file any document and to do all other lawfully permitted acts to perfect this security interest or protect Seller's interest in the goods with the same legal force as if executed by Buyer.

3. **TAXES**

Seller shall pay all taxes levied or based on any amounts payable under this Agreement, including without limitation, customs duties, state and local sales and use taxes, and privilege, gross receipts, or excise taxes based on gross revenues, exclusive, however, of taxes based on Seller's net income. Any such amounts paid by Seller shall be for the account of Buyer and will be added to the price of such goods or services. Buyer shall promptly reimburse Seller for such amounts.

4. **TIME OF SHIPMENT**

Delivery dates are based on receipt of Buyer Purchase Order, credit approval, and Seller's lead-times for standard products. In cases where customization of standard products is required by Buyer, estimated manufacturing times will commence upon receipt of all engineering and manufacturing information required by Seller. Seller shall not be liable for any damage, loss, or injury as a result of any delay or failure to ship due to any cause beyond Seller's reasonable control including, but not limited to strikes, slowdowns, embargoes, riots, storms, fire, accidents, war, delay in transportation, or inability to obtain necessary labor, materials or manufacturing facilities.

5. **DELIVERY TERMS AND RISK OF LOSS**

Delivery terms shall be F.O.B. Seller's place of business (Solon OH, USA). Delivery to carrier at point of origin shall constitute delivery to Buyer and thereafter the shipment shall be at Buyer's risk. Claims for loss or damage to products in transit should be made to the carrier and not to Seller. Seller's delivery obligation shall be contingent upon Seller's approval of Buyer's payment in advance at time of shipment. Where allowable, Seller will arrange the transportation via the carrier specified by the Buyer. The Buyer is responsible for all costs associated with the shipment.

6. **ACCEPTANCE OF GOODS**

Rejection of non-conforming products must be made by Buyer in writing within 30 days of receipt, and all defects ascertainable at time of giving notice shall be stated with particularity or be deemed waived. Buyer must follow Seller's Return Material Request process before returning anything to Seller. Under no circumstances shall products be returned to Seller without Seller's written permission. A claim that products are non-conforming shall not entitle Buyer to deduct any sum from any invoice unless such claim has been allowed in writing. Invoices shall be paid in full in accordance with the terms of sale and in the event of subsequent allowance of any claim Seller shall promptly pay to Buyer the amount so allowed.

7. **CANCELLATIONS**

All cancelled orders for standard products are subject to order cancellation charges. The minimum cancellation charge will be 20% of the order total. Standard products, if unused may be returned in accordance with the current return policy. All returns are subject to prior approval by Seller. No return credit for any product will be authorized or issued prior to evaluation of the product by Seller. Products built to unique specifications of Buyer are not returnable and are not cancelable.

8. CHANGES AND ALTERATIONS

Seller may at any time make such changes in design and construction of products as shall, in its judgment, constitute an improvement. Seller may furnish suitable substitutes for materials unobtainable because of priorities or regulations established by government authority or because materials are unavailable from suppliers.

9. DESIGNS, SPECIFICATIONS, MATERIAL FURNISHED BY BUYER

Seller assumes no responsibility for the performance of customized products specifically manufactured to Buyer's design requirements or for defects in raw material, parts or sub-assemblies furnished by the Buyer or his agents.

10. PATENTS

Buyer shall indemnify and hold harmless Seller against any claim, demand, loss, expense or liability, including attorneys' fees, for actual or alleged infringement of any letters patent, trademarks or corresponding rights in any way related to the manufacture and sale of products manufactured in accordance with designs or design information supplied by Buyer.

11. DESTINATION CONTROL STATEMENT

Seller's products, technology, or software are exported from the United States in accordance with the Export Administration Regulations (EAR) or International Traffic in Arms Regulations (ITAR) as applicable. Diversion, transfer, transshipment or disposal contrary to U.S. law is prohibited.

12. EXPORT CONTROL AND SHIPMENT REGULATIONS:

Buyer agrees at all times to comply with all United States laws and regulations as well as International Trade Laws, as they may exist from time to time, regarding export licenses or the control or regulation of exportation or re-exportation of products or technical data sold or supplied to Buyer. Seller may terminate or suspend an order, without remedy, should the Buyer become an entity identified on any US export denial listing. Products ordered may require authorization and/or validated export license from a U.S. government agency. Seller may terminate or suspend an order, without remedy, should a government agency approval be denied.

13. APPLICABLE LAWS

All laws and regulations required to be incorporated in agreements of this character are incorporated herein by this reference. Seller certifies that these products were produced in compliance with all applicable requirements of Section 6, 7, and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor under Section 14 thereof. All orders, sales and these terms and conditions shall be governed by and construed according to the laws of the state of Ohio, excluding any choice of law rules. Seller shall be entitled to recover reasonable attorneys' fees and expenses related to collection of any amounts owed in connection with products sold to Buyer or enforcement of these terms and conditions, whether or not a suit is filed.

14. FINAL AGREEMENT

Except as otherwise agreed in writing, these terms and conditions constitute the entire agreement between Seller and Buyer with respect to the subject matter hereof, and there are no understandings, agreements or representations, express or implied, which are not contained herein. These terms and conditions shall not be modified by any prior course of dealing or trade customs and usage.

15. WARRANTY AND LIMITATIONS ON LIABILITY

Seller warrants its product(s) to the original purchaser and in the case of original equipment manufacturers, to their original customer, to be free from defects in material and workmanship, and to be made only in accordance with Seller's standard published catalog specifications for the product(s) as published at the time of purchase, for a period of one year from the date of shipment. For products not manufactured by the Seller, it extends to Buyer the warranties of the manufacturer only, without modification.

Warranty or performance to any other specifications is not covered by this warranty unless otherwise agreed to in writing by Seller and documented as part of any and all contracts, including but not limited to purchase orders, sales orders, order confirmations, purchase contracts and purchase agreements. In no event shall Seller be liable or have any responsibility under such warranty if the product(s) has been improperly stored, installed, used or maintained, or if Buyer has permitted any unauthorized modifications, adjustments and/or repairs to such product(s). Seller's obligation hereunder is limited solely to repairing or replacing (at its opinion), at the factory any product(s), or parts thereof, which prove to Seller's satisfaction to be defective as a result of defective materials, or workmanship and within the period of time, in accordance with the Seller's stated product warranty (per above.), provided, however, that written notice of claimed defects shall have been given to Seller within thirty (30) days from the date of any such defect is first discovered. The product(s) claimed to be defective must be returned to Seller, transportation prepaid by Buyer, with written specification of the claimed defect. Evidence acceptable to Seller must be furnished that the claimed defects were not caused by misuse, abuse, or neglect by anyone other than Seller.

If any modification, alteration or removal of any part or product performed by someone other than Seller, or not authorized in writing by Seller, results in any injury to a person or damage to property, then no warranty herein shall apply, and Buyer shall indemnify Seller against any claim, demand, loss, expense, or liability, including attorneys' fees, in any way related to such injury or damage. Buyer agrees to indemnify, defend and hold harmless Seller from any claims, loss or damages arising out of or related to Seller's compliance with Buyer's designs, specifications or instructions in the furnishing of products to Buyer,

whether based on infringement of patents, copyrights, trademark or other right of others, breach of warranty, negligence, or strict liability or other tort.

The use of products or components under load such that they reach the end of their expected life is a normal characteristic of the application of mechanical products. Reaching the end of a product's expected life does not indicate any defect in material or workmanship and is not covered by this warranty.

Costs for shipment of units returned to the factory for warranty repairs are the responsibility of the owner of the product. Seller will return ship all warranty repairs or replacements via UPS Ground at no cost to the customer.

For international customers, Seller will return ship warranty repairs or replacements via UPS Expedited Service and cover the associated shipping costs. Any VAT or local country taxes are the responsibility of the owner of the product.

The foregoing warranty is in lieu of all other warranties (except as Title), whether expressed or implied, including without limitation, any warranty of merchantability, or of fitness for any particular purpose, other than as expressly set forth and to the extent specified herein, and is in lieu of all other obligations or liabilities on the part of Seller.

Seller's maximum liability with respect to these terms and conditions and any resulting sale, arising from any cause whatsoever, including without limitation, breach of contract or negligence, shall not exceed the price specified of the product(s) giving rise to the claim, and in no event shall Seller be liable under this warranty otherwise for special, incidental or consequential damages, whether similar or dissimilar, of any nature arising or resulting from the purchase, installation, removal, repair, operation, use or breakdown of the product(s) or any other cause whatsoever, including negligence.

The foregoing warranty shall also apply to products or parts which have been repaired or replaced pursuant to such warranty, and within the period of time, in accordance with Seller's stated warranty.

NO PERSON INCLUDING ANY AGENT OR REPRESENTATIVE OF SELLER IS AUTHORIZED TO MAKE ANY REPRESENTATION OR WARRANTY ON BEHALF OF SELLER CONCERNING ANY PRODUCTS MANUFACTURED BY SELLER, EXCEPT TO REFER PURCHASERS TO THIS WARRANTY.

Any description of the products, whether made orally or in writing by Seller or Seller's agents, specifications, samples, models, bulletins, drawings, diagrams or similar materials used in connection with Buyer's order are for the sole purpose of identifying the products and shall not be construed as an express warranty. Any suggestions by Seller or Seller's agents regarding use, application or suitability of the products shall not be construed as an express warranty unless confirmed to be such in writing by Seller.

THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, AND SELLER EXPRESSLY DISCLAIMS AND EXCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE