

OFFER AND ACCEPTANCE. If these terms and conditions (the "Agreement") differ in any way from the terms and conditions of Buyer's order or if this writing is construed as an acceptance or as a confirmation acting as an acceptance, then Seller's acceptance is expressly made conditional on Buyer's assent to any terms and conditions contained herein that are different from or additional to those contained in Buyer's writing. Further, this Agreement shall be deemed notice of objection to such terms and conditions of Buyer. Buyer's acceptance of the goods shall be deemed to be Buyer's assent to the terms and conditions of this Agreement.

PRICE. The prices and charges stated on the face of this Agreement shall be adjusted to and the goods covered by this order shall be invoiced at the prices and charges fixed by Seller at the time of and for each shipment under this Agreement.

PAYMENT TERMS. Unless otherwise agreed to by the Parties in writing invoices are due and payable in full within thirty (30) days from the date of invoice. If any invoice shall not be paid in full when due, all sums owing under this or any other agreement between Buyer and Seller may be declared due and Seller may defer performance under this and any other agreement without liability or penalty to Seller until such invoice is paid. In the event any proceeding is brought by or against Buyer under the bankruptcy or insolvency laws, Seller shall be entitled to treat such event as a repudiation by Buyer and, in addition to other remedies, cancel any order then outstanding. Buyer shall be liable for any collection costs or attorneys' fees incurred as a result of Buyer's failure to comply with this Agreement. All sales are subject to the approval of Seller's credit department. Unless obligated by law, Seller shall not be obligated to disclose its pricing or cost data or formulae.

RISK OF LOSS/FCA/SHIPPING TERMS. Shipment shall be FCA Seller's place of business, freight collect, unless otherwise agreed in writing with the Buyer. The method of shipment and carrier shall be selected by Seller unless Buyer shall have specified in writing a method of shipment and carrier prior to scheduled shipment. Title and all risks of loss or damage shall pass to Buyer upon delivery to carrier.

DELAY IN DELIVERY/FORCE MAJEURE. The Buyer expressly acknowledges that Seller shall not be held responsible and/or accountable for the failure to deliver or for any delay in delivery which is caused by any of the following: contagion or pandemic, wars, labor problems (including lockouts, strikes and slowdowns); transportation delays; failures and/or delays on the part of subcontractors and/or suppliers; acts of God; shortages of goods; shortages of workers; worker disagreements; court injunctions or order; government acts or regulations; or Executive orders. The preceding list is not exclusive and, moreover, Buyer expressly agrees that Seller shall not be responsible or accountable for any other cause beyond the commercially reasonable control of Seller. The time for performance on the part of Seller, if such a delay should result, is extended for whatever length of time that the delay may necessitate. Buyer's acceptance of any of the goods constitutes waiver of any and all claims for damages as a result of the delay.

QUANTITIES SHIPPED. Weights and quantities shown hereon are estimated. Invoice weights may vary in accordance with reasonable variations. All goods and services will be subject to certain tolerances and variances consistent with usual trade practices, practical testing, inspection methods, and applicable specifications regarding dimensions, material and surface requirements, composition, internal conditions and quality.

#### CANCELLATION/RESCHEDULING POLICY.

- a. If Buyer cancels an accepted order before Seller orders any raw materials or incurs any actual costs required to fulfill the order, no cancellation charge shall apply. The parties agree, however, that if Seller does incur costs (including, but not limited to, carrying costs) and expenses prior to Buyer's cancellation Seller shall be reimbursed in the manner set forth in subparagraph b hereof.
- b. Seller shall be entitled to receive from Buyer as cancellation charges: (i) Seller's total costs incurred in processing the canceled order from the order stage to the stage that the order is in at the time Seller receives Buyer's cancellation notice; and (ii) an additional sum which would make the profit on the transaction equal to the average profit margin on the pertinent goods during the preceding calendar year.
- c. Buyer requests for either earlier or later delivery will be accommodated, if possible, at the sole discretion of Seller; however, a rescheduling request by the Buyer that extends sixty (60) days past the originally scheduled shipment date will grant to Seller the option to either sell the goods for other order application or proceed with final production processing and ship to Buyer at full order value plus accruals for extensions.
- d. The words "cancel" or "cancellation" as used herein are intended to include, in addition to an express cancellation, any conduct constituting Buyer's breach or repudiation of this Agreement.
- e. Seller reserves at all times and at its option the absolute right to cancel any unfinished part or portion of an order should Buyer breach the terms of this Agreement. Seller may, in such an event, enforce payment from Buyer for the entire order value of any goods which are already completed, finished or identified in the order; any expenditures of labor on the goods; any loss suffered as a result of the breach of this Agreement; any cost of materials or supplies in the process; and any costs incurred for material, labor, engineering, material handling, manufacturing, sales and administrative overhead; a reasonable profit markup; and any other costs which Seller incurs.

CHANGE IN ORDER. If Buyer changes an order, Buyer shall compensate Seller for any and all additional charges or costs incurred by Seller, including but not limited to, the cost of overtime, price premiums to acquire raw material on an expedited basis, and cancellation charges. Any such changes shall be subject to Seller's acceptance and any additional charges resulting from such changes shall be due and payable upon invoicing.

#### WARRANTIES, REMEDIES, DAMAGES AND LIMITATIONS.

- a. Warranty of Title. Seller warrants and represents that Seller has good title and full right to sell or otherwise dispose of the goods. Unless otherwise expressly agreed herein, the Buyer's EXCLUSIVE remedy for a breach of this Warranty of Title shall be a reduction in the cost of the goods by the amount required to discharge any claim brought under this Warranty and defended by Buyer. In any event the amount of this remedy is limited to the purchase prices of the goods in controversy. The Buyer shall waive all rights under this warranty by failure to give written notice to the Seller and an opportunity to defend against any claim arising hereunder.
- b. Warranty of Quality. Seller warrants that the goods delivered hereunder will be free from material defects in material or workmanship and will conform to the specifications set forth on the face hereof. This Warranty of Quality shall not apply to goods which have been subjected to misuse, abuse, neglect or improper storage, handling or maintenance, or corrosion. Any action for breach of this Warranty of Quality must be commenced within twelve (12) months from the date when tender of delivery of the goods is made. The Buyer's EXCLUSIVE remedy for breach of this Warranty of Quality is repair or replacement of the goods as the Seller in its sole discretion shall decide. Buyer's right to pursue this remedy is expressly conditioned on Buyer's written notice of the failure to the Seller, within this warranty period and the prompt return of the goods to the Seller, C.I.F. Seller's place of business. Goods that are repaired or replaced shall be returned to the Buyer.
- c. Limitations. The warranties contained herein are the exclusive warranties given to the Buyer. THE SELLER EXPRESSLY DISCLAIMS ANY OTHER WARRANTIES WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTIES ARISING BY TRADE USAGE, COURSE OF PERFORMANCE OR COURSE OF DEALING.
- d. Disclaimer of Consequential and Incidental Damages. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO THOSE ARISING OUT OF PERSONAL INJURY, DEATH OR PROPERTY DAMAGE SUFFERED AS A RESULT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), FAILURE TO WARN, OR TO ADEQUATELY WARN, AGAINST THE PRESENCE OF HAZARDOUS OR TOXIC SUBSTANCES REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
- e. Total Liability. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNTS PAID TO SELLER FOR THE GOODS SOLD HEREUNDER.
- f. Supplier Warranty. As to items not manufactured by Seller, Seller hereby assigns to Buyer and Buyer agrees to accept any warranty which Seller's suppliers may have issued, to the extent that such assignment is authorized by Seller's contract with its supplier.
- g. Resale. Seller's warranties are extended to Buyer only and Seller makes no warranties whatsoever to Buyer's customer or any other third party. If Buyer resells or otherwise transfers the goods subsequent to Buyer's receipt of the goods, Buyer will have no authority to make any warranty or representation to Buyer's customer or any other party on behalf of Seller.

INDEMNITY. Buyer assumes the risk of and agrees to hold harmless, indemnify and defend Seller from and against any loss, liability, claims, suits, and expenses (including, without limitation, reasonable attorneys' fees) arising out of any actual or alleged injury (including death) to any person or damage to any property, or any other damage or loss, by whomever suffered, resulting from or in any way connected with the performance of this Agreement, regardless of whether such injury or damages are caused in part by Seller; provided, this provision shall not apply to injury or damages caused solely by the negligence of the Seller.

EQUIPMENT. Any equipment (including jigs, dies and tools) which Seller constructs or acquires for use exclusively in the production of goods for Buyer shall be and remain Seller's property and in Seller's possession and control, and any charges by Seller therefore shall be for the use of such equipment only. All such equipment will be used exclusively for the manufacture of goods for Buyer. When for three (3) consecutive years no Buyer orders have been accepted by Seller for goods to be made with any such equipment, Seller may make such use or disposition thereof as Seller desires without liability to Buyer.

INSPECTION/REJECTION: CHECKING MATERIALS, CLAIMS. Buyer agrees to check goods carefully against shipping papers upon unloading at destination. Claims for shortage and corrosion, must be made within thirty (30) days of receipt of the goods and Seller shall be given a reasonable opportunity to investigate. No goods or material shall be returned to Seller without its written consent. Seller will instruct Buyer as to disposition of rejected goods.

PROHIBITION OF ASSIGNMENT BY BUYER. No rights arising under this Agreement may be assigned by the Buyer unless expressly agreed to in writing by the Seller. An assignment by the Buyer would change the duty imposed by this Agreement, would increase the burden of risk involved, and would substitute an unknown credit risk; any assignment contrary to this provision shall be a breach of this Agreement and will be void and of no force or effect.

CONFIDENTIALITY. All unpatented knowledge, information, design, drawings or technical data concerning Seller's goods or products, methods, or manufacturing process which are disclosed or furnished to Buyer in connection with this Agreement or any accepted order are the property of Seller, and are disclosed in confidence upon the condition that they are not to be used, copied or disclosed to others for any purpose without the prior express written consent of Seller. The obligations under this paragraph will survive the cancellation, termination or completion of this Agreement.

NONWAIVER/ENTIRE AGREEMENT. This Agreement evidences the entire understanding and agreement between the parties and supersedes all prior written or oral representations or agreements. This Agreement may not be altered, modified or waived orally, by course of performance, course of dealing or usage of trade. No provision hereof and no breach of any provision shall be deemed waived by reason of any previous waiver of such provision or of any breach thereof.

SEVERABILITY. If any term or provision of this Agreement is held to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

GOVERNING LAW. All matters arising out of or relating to this Agreement is governed by and construed in accordance with laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision. All disputes arising out of or relating to this Agreement shall be instituted in the federal courts or state courts of Pennsylvania and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.