Standard Terms and Conditions

THIS IS A CONTRACT. BY SIGNING THE PURCHASE ORDER TO WHICH THESE STANDARD TERMS AND CONDITIONS ARE ATTACHED, THE ENTITY NAMED ON SUCH PURCHASE ORDER ("PURCHASER") ACCEPTS EACH AND ALL OF THE FOLLOWING TERMS AND CONDITIONS:

General This document, together with the Purchase Order, 1. constitutes the entire agreement between Purchaser and Company as to its subject matter ("Agreement") and supersedes all prior or collateral understandings, oral or written, and may not be modified, except by written document that is duly signed by each party's authorized representative. Any representation, promise, condition or understanding, course of performance, course of dealing or trade use not contained herein or in the Purchase Order shall not be relevant in interpreting this Agreement unless reduced to writing and signed by Company's authorized representative. Company hereby rejects any provisions contained in communications, oral or written, from Purchaser, which are in addition to or which conflict with the terms set forth herein, and Company's failure to object to any such additional or inconsistent terms shall not be deemed a waiver of its objections to such provisions.

2. <u>Delivery: Packing</u> Unless otherwise agreed to in writing, title to goods passes to Purchaser upon delivery to the carrier F.O.B. point of shipment. Risk of loss or damage passes to Purchaser upon delivery to the carrier. It is Purchaser's responsibility to file claims with the shipper. Unless Company has agreed in writing to firm shipping dates, such dates are approximate and may be changed at Company's sole discretion. Purchaser assumes all responsibility for loss or damage resulting from its handling or use of goods on and after delivery of the goods to Purchaser. Unless a preferred packing method is provided for elsewhere in the order, all goods shall be packaged and packed for shipment and storage in accordance with good commercial practices. Preferred packing charges shall be paid by Purchaser.

3. <u>Payment</u> Purchaser shall make payment for the goods to Company within thirty (30) days after the shipment date of the goods. Each shipment by Company is a separate and independent transaction and payment for each shipment shall be made accordingly. All payments are to be made in full and are not subject to any offset, recoupment, abatement, counterclaim or any other adjustment by Purchaser. If payment is not made by the due date, Purchaser shall be liable to pay interest from the due date to the date of payment at the highest interest rate allowed by law.

4. <u>Taxes, Duties and Permits</u> Company prices do not include any sales, use, excise, or similar taxes nor any expert, import or other duties. The amount of any such taxes or charges applicable to the sale, use, exportation or importation of the products to be sold hereunder shall be paid separately by Purchaser unless Purchaser shall provide Company a proper examination certificate in respect thereof. All export and import permits required shall be furnished to Purchaser at Purchaser's expense. Purchaser agrees to indemnify and hold Company harmless from all such taxes, duties and permit fees and any applicable penalties or costs defending claims relating to such taxes, duties or permit fees.

5. <u>Claims</u> To preserve any claim it may have, Purchaser shall promptly inspect all goods delivered hereunder and notify Company within ten (10) days of shipment of any non-conforming goods. The results of tests designed to demonstrate that goods are non-conforming shall be valid only if (1) test conditions are mutually agreed upon by Purchaser and Company, and (2) Company is given reasonable advance notice of, and is authorized to be present at, any such tests. In no event shall Company have any liability for a claim by Purchaser if the claim is not made prior to the expiration of the warranty period. In the event of a valid claim with respect to goods provided hereunder, Company's sole obligation to Purchaser is limited, at Company's option, to: (1) replacement of such goods F.O.B. Purchaser's place of business or such other point as it may designate; or (2) refund of the purchase price of the goods.

6. Limited Warranty All goods delivered by Company hereunder are warranted as follows: (1) Company has good title, and (2) the $\{M1278242.1\}$

goods will conform with the specifications that have been expressly agreed to in writing by Company or in this Agreement. The warranty period for the goods shall be for one (1) year from the date of shipment. The foregoing limited warranty constitutes the exclusive warranty made by Company and is made and accepted in lieu of all other warranties, written or oral, statutory, express or implied, including any warranty of merchantability or fitness for use or purpose, all of which are hereby expressly disclaimed. Such limited warranty shall become void upon any modification by Purchaser or its employees, contractors or agents to the goods. Any technical advice furnished by Company concerning any use or application of all goods furnished hereunder, including technical advice in any brochure or similar material, is believed to be reliable but Company makes no warranty, express or implied, that specific results will be obtained. Such advice shall not subject Company to any liability, whether in tort (including negligence) warranty, contract, strict liability or otherwise. Company's liability hereunder shall in no case exceed the purchase price paid by Purchaser for the goods.

7. <u>Limitation of Liability</u> COMPANY SHALL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR SPECIAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES SUCH AS, BUT NOT LIMITED TO, DAMAGE TO OR LOSS OF OTHER PROPERTY OR EQUIPMENT, LOSS OF PROFITS OR REVENUE, COST OF CAPITAL, COST OF PURCHASE OR REPLACEMENT GOODS OR CLAIMS BY CUSTOMERS OF PURCHASER. SECTIONS 5 AND 6 OF THIS AGREEMENT CONSTITUTE THE SOLE AND EXCLUSIVE LIABILITY OF COMPANY AND THE SOLE AND EXCLUSIVE EMEDY OF CUSTOMER, RESPECTIVELY, AND APPLY TO ANY AND ALL LIABILITY OF COMPANY INCLUDING BUT NOT LIMITED TO LIABILITY ARISING OUT OF TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, WARRANTY OR OTHERWISE.

8. Intellectual Property Company makes no warranty against infringement or the like with respect to any goods for which design, drawing or other specifications or requirements are supplied by Purchaser in whole or in part. Purchaser represents and warrants that all design and product specifications submitted to Company do not violate any person's intellectual property rights and that Purchaser has full right to and does authorize Company to manufacture goods in accordance with said design and product specifications. Purchaser shall indemnify and hold Company harmless against any expense or loss resulting from infringement or claimed infringement of patents, trademarks or other intellectual property rights which is based in whole or in part on Company's compliance with Purchaser's designs, specifications or instructions.

9. <u>Company Security Interest in Goods</u> Company reserves a purchase money security interest in all goods shipped hereunder and its interest and rights shall continue until all payments for such goods have been received by Company. Purchaser agrees to do, and authorizes Company to do, all acts necessary to perfect and maintain such rights and interests of Company in the goods.

10. <u>Reservation of Shipments</u> If, at any time, Purchaser fails to meet its payment obligations set forth in this Agreement, or if Purchaser's financial condition does not, in Company's sole judgment, justify the continued shipment of goods under the terms of payments set forth in this Agreement, Company may require full or partial payment in advance or shall be entitled to cancel any Purchase Order then outstanding, without being subject to any cancellation charges or other liability.

11. <u>Export and Reexport</u> Purchaser acknowledges that the equipment supplied herewith may be subject to U.S. Department of Commerce, Office of Export Administration Rules and Regulations. If equipment is intended for expert or reexport, Purchaser agrees to

comply with all U.S. Government Rules and Regulations pertaining to export or reexport of said equipment.

12. <u>Force Majeure</u> Company shall not be liable for delay in delivery or failure to manufacture due to causes beyond its reasonable control, acts of God, acts of civil or military authority, government priorities, strikes, floods, academics, war, riot, delays in transportation, rail car shortages, inability to obtain the necessary labor, material or manufacturing facilities or acts of Purchaser. In the event of any such delay, the period for performance by Company shall be extended for a period equal to the time lost by reason of any of the foregoing force majeure events. During any period of shortage for any cause, Company may pro-rate its supply of goods among its internal demand and its customers, at Company's sole discretion.

Miscellaneous This Agreement shall be governed and controlled 13. in all respects by the laws of the State of New York, including interpretation, enforceability, validity and construction, without regard to its conflicts of laws provisions. Purchaser and Company irrevocably and unconditionally consent to the exclusive jurisdiction and venue of the state courts located in Oneonta, New York or the federal courts in Binghamton, New York, with respect to any legal action or proceeding pursuant to any purchase order or this Agreement and hereby waive any objection that such forum is inconvenient. If any term of this Agreement is found to be void or unenforceable to any extent for any reason, all remaining terms and conditions of this Agreement will remain in full force and effect. Purchaser may not assign this agreement and/or any of its rights and/or obligations hereunder without the prior written consent of Company, which may be withheld in Company's sole discretion, and any such attempt at assignment will be void, except that Purchaser may assign this Agreement or any of its rights or obligations to its subsidiaries or other affiliates (which means any person or entity directly or indirectly controlling, controlled by or under, control with Purchaser). No failure to assert rights or course of conduct by Company shall constitute a waiver by Company of its rights.