



Standard Contract Terms and Conditions

1. General and Legal Effect: Seller's sale to Buyer is limited to and expressly made conditional on Buyer's assent to the typed and printed terms and conditions of sale on the face and reverse side hereof, all of which form a part of this order and supersede and reject all prior writings, representations and negotiations with respect hereto and any conflicting terms and conditions of Buyer. Unless Buyer now expressly conditions Buyer's purchase documents, in a typed or handwritten portion of Buyer's purchase forms, upon assent to additional or different terms and conditions of Buyer, or unless Buyer otherwise communicates such an expressly conditioned objection to Seller within five (5) days from receipt of this document, the sending of a purchase order for the goods referenced to herein, whether or not signed by Buyer, any printed statement to the contrary notwithstanding, or Buyer's acceptance of goods or payment operates as ACCEPTANCE BY BUYER of Seller's terms and conditions of sale.

Any writing so expressly conditioned by Buyer shall be construed as an acceptance of all terms and conditions in which the parties agree on which appear only in Seller's sales documents, a rejection of the terms and conditions of Seller which are different from those of Buyer and a counteroffer subject to written acceptance by Seller in respect of those and any additional Buyer terms and conditions.

Seller will furnish only the quantities and items specifically listed on the face hereof. Seller assumes no responsibility for furnishing other equipment or material shown in any plans and or specifications for project to which the goods ordered herein pertain.

Any action for breach of contract must be commenced within one (1) year after the cause of action has accrued.

2. Prices: Unless otherwise noted on the face hereof, prices are net F.O.B. Seller's point of manufacture. Freight not included unless specifically stated otherwise in CAPC bid proposal. Service time of a factory-trained serviceman is not included and will be charged extra. The amount of any applicable present or future tax or other government charge upon the production, sale, shipment or use of goods ordered or sold will be added to billing unless Buyer provides Seller with an appropriate exemption certificate.

3. Defective Goods: Providing Buyer notifies Seller promptly in writing within 10 days after owner first has knowledge of same, if within one (1) year from date of shipment, goods or parts manufactured by Seller fail to function properly under normal and proper use and service (normal wear and tear are excluded and are not covered by warranty nor is damage or premature failure by improper installation), because of defects in material or workmanship demonstrated to Seller's satisfaction to have existed at the time of delivery. Seller, reserving the right to either inspect them in Buyer's hands or request their return to Seller, will at Seller's option repair or replace at Seller's expense F.O.B. Seller's point of manufacture or give Buyer proper credit for such goods or parts determined by Seller to be defective, with all dismantling and reassembly and necessary packaging and transportation costs to be assumed by Buyer. The foregoing shall not apply to goods that shall have been altered or repaired after shipment to Buyer by anyone except Seller's authorized employees and Seller will not be liable in any event for alterations or repairs except those made with its written consent. Buyer shall be solely responsible for determining suitability for use and Seller shall in no event be liable in this respect. The goods or parts manufactured by others but furnished by Seller will be repaired or replaced only to the extent of the original manufacturer's guarantee.

Seller's obligations and liabilities hereunder shall not be enforceable until such goods or parts have been fully paid for. Buyer agrees that if the goods or parts sold hereunder are resold by Buyer, Buyer will include in the contract for resale provisions that limit recoveries against Seller in accordance with this section. In the case of Seller's failure to fulfill any performance representation, it is agreed that Seller may at Seller's option to remove and reclaim the goods or parts covered by this Agreement at Seller's own expense and discharge all liability by repayment to the Buyer of all sums received on account of the purchase price.

THE FOREGOING OBLIGATIONS ARE IN LIEU OF ALL OTHER OBLIGATIONS AND LIABILITIES INCLUDING NEGLIGENCE AND ALL WARRANTIES OF FITNESS OR MERCHANTABILITY OR OTHERWISE EXPRESSED OR IMPLIED IN FACT OR BY LAW, AND STATE SELLER'S ENTIRE AND EXCLUSIVE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIM OF DAMAGES IN CONNECTION WITH THE SALE OR FURNISHING OF GOODS OR PARTS OR SERVICES. THEIR DESIGN, SUITABILITY FOR USE, INSTALLATION OR OPERATION.

No employee or agent of Seller is authorized to make any warranty other than that which is set forth herein, unless specifically stated otherwise in our proposal. The provisions in any specification or chart issued by Seller or attached hereto are descriptive only and are not warranties or representations. Seller will certify to a rated capacity in any particular goods upon request.

4. Limitation of liability: In no event shall the total liability of the Seller arising out of the performance or breach of this Purchase Order, whether based on contract, warranty, negligence, indemnity, strict liability or otherwise exceed no greater than the value of the Purchase Order price.

The Seller shall in no event be liable for any consequential, incident, direct or indirect, special or punitive damages arising out of this Purchase Order or any breach thereof, or any defect in the Equipment purchased hereunder, including, but not limited to, lost profits or

Standard Contract Terms and Conditions - Continued

revenue, work stoppage, impalement of other goods, loss by reason of shutdown or non-operation or increased expenses of operation, whether or not such loss or damage is based on contract, warranty, negligence, indemnity, strict liability or otherwise.

5. Credit and Payment: Payment for goods shall be thirty-days (30) net. Pro-rata payments shall become due with partial shipments. A late charge of one-and-one half percent (1- ½ %) per month, a rate of eighteen percent (18%) per annum, or the maximum permitted by law whichever is less, will be imposed on all past due invoices. Seller reserves the right at any time to suspend credit or to change credit terms provided herein, when in its sole opinion Buyer's financial condition so warrants. Failure to pay invoices at maturity date of Seller's election makes all subsequent invoices immediately due and payable irrespective of terms, and Seller may terminate this Agreement. Acceptance by Seller of less than full payment shall not be a waiver of any of Seller's rights. Buyer represents by sending each purchase order to Seller that Buyer is not insolvent as that term is defined in applicable state or federal statutes. In the event Buyer becomes insolvent before deliver of any goods purchased hereunder, Buyer will notify Seller in writing. A failure to notify Seller of insolvency at the time of delivery shall be construed as a reaffirmation of Buyer's solvency at that time. Irrespective of whether the goods purchase hereunder are delivered directly to Buyer, or to a customer of Buyer's and irrespective of the size of the shipment, Seller shall have the right to stop delivery of the goods by a bailee if Buyer becomes insolvent, repudiates, or fails to make a payment due before deliver, or if any other reason Seller has a right to withhold or reclaim goods under the applicable state and federal statutes. When Buyer is responsible for any delay in shipment, the date of completion of goods may be treated by Seller as the date of shipment for purposes of payment. Completed goods shall be held at Buyer's cost and risk and Seller shall have the right to bill Buyer for storage and insurance expenses. Regardless or price quoted, all orders will be invoiced in the minimum amount of \$250.00 (Two Hundred and Fifty US Dollars) net.

6. Delivery: Delivery, shipment and installation dates are estimated dates only, and unless otherwise specified, are figured from the date of receipt of complete technical data and approved drawings as such may be necessary. In estimating such dates no allowance has been made, nor shall Seller be liable directly or indirectly for delays of carriers, delays from labor difficulties, shortages, strikes or stoppages of any sort, fires, accidents, failure or delay in obtaining materials or manufacturing facilities, acts of government affecting Seller directly or indirectly, bad weather or any causes beyond Seller's control or causes designated Acts of God or force of nature, by any statute or court of law, and the estimated delivery date shall be extended accordingly. Seller will not be liable for any damages, losses or penalties whatsoever, whether direct, indirect, special, incidental or consequential, resulting from Seller's failure to perform or delay in performing unless otherwise agreed in writing by an authorized officer.

7. Shipping: Unless buyer specifies otherwise in writing, (a) goods will be boxed or crated as Seller may deem proper for protection against normal handling and extra charges will be made for preservation, waterproofing, export boxing and similar added protection for goods; (b) routing and manner of shipment F.O.B. Seller's point of manufacture, delivery of goods to the initial carrier will constitute delivery to Buyer and thereafter be at Buyer's risk. A claim for loss or damage in transit must be entered with the carrier and prosecuted by Buyer. Acceptance of goods from a common or contact carrier constitutes a waiver of any claims against Seller for delay, or damage or loss.

8. Assignment: Seller reserves the right to subcontract all or any part of the work to be performed under this order without obtaining the approval of Buyer. No notice to Buyer of any subcontracting by Seller is required in the event of any subcontracting by Seller. Seller will remain primarily responsible to Buyer for its obligations and responsibilities under this order.

9. Cancellation: Returned or Rejected Goods. Buyer may cancel orders only by written notice and only upon conditions that Buyer makes full payment to Seller for all goods which upon receipt of such notice by Seller, and within thirty (30) calendar days of completion shall be made by Buyer on the basis of actual cost of labor, materials and supplies applied to the production of such goods, plus overhead expenses, and plus twenty percent (20%) of such costs and expenses. All cancellation charges from Seller to Buyer are due upon receipt of documentation. Goods may be returned only when specifically authorized in writing and Buyer will be charged for placing returned goods in saleable condition, any sales expenses then incurred by Seller, plus a restocking charge and any outgoing and incoming transportation costs which Seller pays. If Buyer rejects any goods supplied pursuant to Buyer's purchase order, Buyer must notify Seller of such rejection within five (5) days of delivery. Any failure to make such notification constitutes acceptance of the goods.

10. Termination: Seller may by written notice to Buyer terminate the whole or any part of this contract in any one of the following circumstances: (1) If Buyer fails to remit payment within the time specified herein or any authorized extension thereof; or (2) if Buyer fails to perform any of the other provisions of his contract as to endanger performance of this contract in accordance with its terms; and Seller shall not by reason of such termination be liable to Buyer for any compensation, reimbursement, or damages including in particular, but not limited to any direct, indirect, special, incidental or consequential damages or losses whatsoever, on account of expenditures, investments or commitments.

11. Patents: Trademarks and Proprietary Data. Buyer shall be solely liable for all claims related to patent infringement except for claims resulting solely from the domestic use or resale of Seller's goods in the manner prescribed and not resulting in any way from the modification of the goods or their combination with other goods, and then only if Buyer promptly advises Seller of any such claim and

Standard Contract Terms and Conditions - Continued

permits Seller to defend against or set to such claim, and if the goods were not designed to satisfy the Buyer's specifications, Seller's liability hereunder being limited to the amount of judgment or settlement, but not more than the selling price of the goods. If an injunction is issued against the further use of allegedly infringing goods, Seller shall have the option of procuring from Buyer the right to use the goods, or replacing them with non-infringing goods, or of removing them and refunding the purchase price. Buyer is not licensed to use the goods with other goods that are not manufactured by Seller to form a combination that is covered by Seller's patents. Seller shall not use Buyer's trademarks or trade names except on Seller's goods, in the form prescribed. Any invention made by Seller in the performance of a contract with Buyer shall be the exclusive property of Seller. Buyer agrees to maintain in confidence any technical data, including data processing software that is provided by Seller and labeled to be proprietary or confidential. Seller will not be liable for any damages or losses whatsoever suffered by reason of any infringements claimed, except as provided herein. Buyer

will hold Seller harmless and indemnified against any and all claims, demands, liabilities, damages, costs and expenses resulting from or connected with any claim of patent infringement arising out of the manufacture by Seller of goods in accordance with a design or specification which Buyer furnishes to Seller.

12. Special Jigs, Fixtures and Patterns: Any jigs, fixtures, patterns and like items which may be included in an order will remain Seller's property without credit to Buyer. Seller will assume the maintenance and replacement expenses of such items, but shall have the right to discard and scrap them after they have been inactive for one (1) year without credit to Buyer.

13. Records, Audits and Proprietary Data: Unless otherwise specifically agreed to in writing signed by an authorized officer, neither Buyer nor any representative of Buyer, nor any other person, shall have any right to examine or audit Seller's cost accounts, books or records of any kind or on any matter, or be entitled to or have control over any manufacturing engineering or production prints, drawings or technical data which Seller, in Seller's sole discretion, may consider in whole or in part proprietary to Seller.

14. Assignment: The rights and obligations of Buyer hereunder may not be assigned without the prior written consent of Seller.

15. Non-Waiver: Seller's failure at any time to require strict performance by Buyer of any of the provisions herein shall not waive or diminish Seller's right hereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default.

16. Applicable Law: The rights and duties of the parties shall be governed by the laws of the State of Ohio.

17. Hold Harmless/Hazardous Material/Nuclear Energy: In the event this purchase order is for work to be performed, or goods to be delivered by Seller on Buyer's premises, or the premises of a customer of the Buyer, which premises are of concern a nuclear facility and/or where nuclear materials are used or stored, the Buyer hereby assumes the entire responsibility and liability for, and indemnifies and holds Seller harmless from any and all damage or injury of any kind and any and all associated losses, claims, demands or expense whatsoever caused by resulting from or occurring in connection with the execution of the work provided for in this contract. Buyer agrees to carry property damage and bodily injury insurance at its own expense with a recognized underwriter with limits sufficient by reasonable commercial standards to cover any and all of the above risks, to name Seller as insured party, and assume Seller's defenses. Seller agrees to properly pack and to provide appropriate documentation for any hazardous materials delivered to the Buyer's site as specified by the Buyer. The proper storage and/or disposal of such material are the sole responsibility of the Buyer. Buyer hereby waives any and all claims of any kind against Seller and waives its own and its Insurer's right of subrogation against Seller for any loss resulting from any such risks.