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General Terms & Conditions of Purchase

1. **ACCEPTANCE:** This order constitutes Stock Equipment Company, Inc.'s ("Stock") offer to Seller, and does not constitute an acceptance by Stock of any offer to sell, quotation or proposal from Seller. Acceptance either by written acknowledgment or by commencement of performance shall form a binding Contract between the Parties, subject to the terms and conditions hereof which shall constitute the entire agreement between Stock and Seller. These terms shall supersede any other agreements or understandings made prior to the date of this order, excluding specifications provided by Stock and any definitive agreement executed in writing by both Seller and Stock, in which case, the definitive agreement shall control over any conflicting terms and conditions in this Agreement. Additional or different terms proposed by Seller are hereby rejected and shall not form a part of the agreement between Stock and Seller unless agreed to and accepted in writing by an authorized representative of Customer and require no need of further notice of objection. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the terms and conditions of this purchase order. This purchase order shall not operate as a rejection of the Seller's offer unless it contains variances in the terms of the description, quantity, price or delivery schedule of the goods or services. Seller further agrees to fully comply with all mandatory flow-down provisions of any Stock prime contract with Stock's customer.

2. **PRICES:** Seller represents that the price or prices specified in this order do not exceed the current selling price for the same or substantially similar goods or services to any other purchaser, taking into account the quantity of the goods or services ordered. That the prices charged herein are in accordance with any applicable laws or regulations and that if at any time during the pendency of this Order lower prices are quoted by Seller for similar goods or services, such lower net prices shall be substituted for the prices contained herein. If this order is not priced, it is understood that the Seller will not charge, without Customer's written consent, a higher price for the goods or services called for in this order than was last paid by Stock to Seller for similar goods or services. Stock shall have the right by written notice to Seller to request an adjustment of the price of the goods or services covered by this order, and the failure of Seller and Stock to agree upon any requested change in price shall release Seller from its obligation to make deliveries pursuant to this order and shall release Stock from its obligation to accept further shipments. Unless otherwise provided on the face of this order, the price or prices appearing hereon shall include all packaging, crating, and federal, state, and local taxes, and shall be f.o.b. shipping point.

3. **SET OFF:** Stock shall be entitled at all times to set off any amount owing at any time from Seller to Stock or any of its affiliated companies against any amount payable at any time by Stock or any of its affiliated companies to Seller.

4. **STOCK'S PROPERTY:** Unless otherwise stated in this Agreement Seller shall furnish all material, equipment, tools and facilities required to fulfill this Agreement. Title to all property furnished to Seller by Stock or specifically paid for by Stock or the cost of which is fully or substantially included in the price of goods or services purchased hereunder, and any replacement thereof or any materials affixed or attached thereto, shall be and remain in Stock together with the right of possession, and shall be plainly marked or otherwise adequately identified as "Property of Stock Equipment Company", and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Stock's property and shall not use such property except in filling Stock's orders. Such property, while in Seller's custody or control, shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Stock and shall be subject to removal at no charge at Stock's written request, in which event Seller shall prepare such property for shipment and shall deliver it to Stock in good condition, reasonable wear and tear excepted. The cost of any additions to said property paid for by the Seller or the value of any work done on the said property paid for by the Seller shall be conclusively presumed to be included in the cost of the materials ordered unless otherwise agreed by the Seller and Stock in writing prior to commencement of the addition being added or work being done. Data, drawings, toolings, patterns, materials, specifications and any other items or information supplied to Seller under this Order are the property of Stock and must be returned upon completion of this order. Such items or information are to be used solely in the performance of the work by the Seller and shall not be used or disclosed for any other purpose whatsoever without Stock's prior express written consent.

5. **PROPRIETARY INFORMATION:** Any specifications, drawings, designs, manufacturing data and other information transmitted to Seller by Stock in connection with the performance of this Agreement are the property of Stock and are disclosed in confidence upon the condition that they are not to be reproduced, copied or used for furnishing information or equipment to others, or for any other purpose detrimental to the interest of Stock, unless Stock's written consent is first obtained. Upon completion or termination of this Agreement, Seller shall return all items to Stock or make such other disposition thereof as may be directed or approved by Stock.

6. **INFORMATION DISCLOSED TO STOCK:** All knowledge or information which Seller may disclose to Stock pursuant to the Agreement shall not be deemed confidential or proprietary. No employee of Stock has authority to enter any agreement, express or implied, limiting the use or publication of, or providing for the confidential treatment of, information, equipment or suggestions unless agreed to in writing by an officer of Stock.

7. **INSPECTION AND ACCEPTANCE:** All goods or services are subject to final inspection and acceptance at their destination by Stock within a reasonable time, notwithstanding prior payment or inspections at their source, it being expressly agreed that payment shall not constitute final acceptance. Stock without limitation of its other rights pursuant to this order, may reject any item which contains defective materials or workmanship or does not conform to Stock's specifications, blueprints, samples or is not as ordered. Rejected items shall be returned at Seller's risk and expense at the full invoice price plus incoming transportation charges, if any, and no replacement of defective items shall be made unless specified in writing by Stock. When replacement is not to be made, Seller shall provide Stock with the appropriate credit or refund. Stock may contract or otherwise replace or correct defective goods or services and charge the Seller for costs and damages. Seller shall provide a Control Plan, satisfactory to Stock, covering raw material verification manufacturing, inspection of finished goods, testing, preventative maintenance, documentation control, corrective action plan, failure analysis, instrument and equipment calibration and disposition of non- conforming material. Stock shall have the right to inspect Seller's plant or facility at all reasonable times during the performance of this order. The acceptance of any goods or services shall not be deemed to alter or affect the obligations of Seller or the rights of Stock under any provisions of this order. Damage and/or loss resulting from improper packaging, preparation or loading shall be charged to Seller.

8. **WARRANTY AND INDEMNIFICATION:** Seller warrants that all goods or services supplied hereunder are free from defects in material and workmanship, fit for the purpose intended and conform strictly to the specifications, drawings, samples or other descriptions specified or furnished to Seller. To the extent that such goods or services are not furnished pursuant to specifications or a design furnished by Stock, they will be free from defects in design, suitable for their intended purpose and free from any industrial property rights. Unless the specifications provide otherwise, Seller is to provide new goods, not uses or reconditioned and not of such age or deteriorated quality as to impair the usefulness or safety. These warranties shall survive any inspection, delivery, acceptance, payment or use by Stock or its customers of the goods or services and shall run to Stock, its successors, assigns, customers, and users of its products. Seller

agrees to replace or correct defects (including labor and transportation) in any goods or services not conforming to the foregoing warranty promptly, without expense to Stock, when notified of such non-conformity by Stock. In the event of failure by Seller to correct defects in or replace non-conforming goods or services promptly, Buyer, after reasonable notice to Seller, may make such corrections or replace such goods and services and charge Seller for the costs incurred by Stock thereby.

9. **INDEMNITY AND INSURANCE:** Seller shall defend, indemnify and hold harmless Stock, its successors, assigns, customers and users of its products and for each of them from and against any and all loss, injury and damage suffered by any of them against any and all suits, proceedings of law or in equity and any and all liability for losses, injuries and damages, including all reasonable attorney's fees and court costs, arising out of or in connection with any defect in the goods or services purchased hereunder or from any act or omission of, or any breach of the terms contained herein and for a claim by any person, firm or organization, including Stock, its successors, assigns, customers and users of its products, that the materials or services furnished by Seller are or were defective, infringing, or injurious in any manner.

Seller shall maintain public liability insurance (including products liability, completed operations, contractors liability and protective liability), automobile liability insurance (including non-owned automobile liability), workmen's compensation and employer' s liability insurance and shall adequately protect Stock against such damages, liabilities, claims, losses and expense. Seller agrees to submit certificates of insurance evidencing its insurance coverage when requested by Stock.

10. **INTELLECTUAL PROPERTY:** Seller shall indemnify and save and hold harmless Stock and each subsequent purchaser or user from any claim that the use of goods manufactured or supplied other than to a design or specification furnished by Stock or their resale infringes upon any United States patent, copyright, trademark or other proprietary right. Upon the making of any claim indemnified hereunder or the commencement of any suit or action having its basis in such, the party against whom such claim is made, or suit or action is commenced, shall promptly notify the other in writing; and the party required to assume liability therefore under the foregoing provisions shall promptly and diligently conduct the entire defense therefore, at its sole cost and expense, provided, that the party not required to assume liability shall have the right, insofar as its interests are affected, at its sole election (but at its own cost and expense) to request the court to permit it to intervene in any such suit or action or to cooperate in the defense therefore, with the party required to assume liability, without releasing any obligation, liability or undertaking of the latter party; and, provided further that Stock shall have the right, insofar as its interests are affected, at its sole cost and expense, to supersede Seller in any such defense thereafter to assume and conduct the same according to Stock's sole discretion, in which event Seller shall be thereby released from its obligation to Stock as to the particular goods involved.

When Seller is employed to design, develop or invent specific goods or services, all work made in fulfilling this order shall be sole property of Stock and Seller shall, at the request and expense of Stock, cause applications for the patent, patents or copyrights covering such goods or services to be executed and assigned to Stock. Ally copyrightable work done by Seller under this purchase order shall be considered a work for hire.

11. **CHANGES:** Stock may at any time by written notice make changes in the drawing, designs or specifications where the goods or services to be specially produced for Stock in accordance therewith; the method of shipment or packing; the place or time of inspection, delivery or acceptance; and, the amount of goods or services to be furnished by Stock. If any such changes cause an increase or decrease in the cost of or the time required for the performance of this order, an equitable adjustment shall be made in the price or delivery schedule or both. No claim by Seller for adjustment hereunder shall be allowed unless made in writing within thirty (30) days from the date notice of change is received by Seller. Where the cost of property rendered unusable or excess as the result of a change is included in Seller's claim for adjustment, Stock has the right to take title thereto and prescribe the manner of disposition thereof. Nothing contained in this clause shall excuse Seller from proceeding with performance of this Agreement as changed. Seller shall not make any changes in the drawings, designs, specifications, materials, production, or manufacturing means, methods or location of the goods and services furnished by Seller to Stock, without Stock's prior written consent.

12. **DELIVERY:** Except as otherwise specified herein, delivery shall be strictly in accordance with the delivery schedule set forth or referred to in this order. If Seller's deliveries fail to meet said schedule with the result that Stock elects in lieu of termination for default to call upon Seller to have goods shipped express, Seller shall be responsible for the cost of shipment. Seller also agrees to pay Stock liquidated damages of one tenth of one percent (0.10) of the total purchase order price for each calendar day of delay beyond the originally scheduled delivery date. Title to the goods and risk of loss covered by this order shall pass from Seller to Stock in accordance with the Incoterm specified on the face of the order. Passing of title upon delivery to designated location shall not constitute Stock's acceptance of the goods. Goods received prior to Stock's specified delivery date will not be deemed accepted unless expressly agreed by Stock in writing and risk of loss shall not pass to Stock prior to the specified delivery date.

13. **FORCE MAJEURE:** Neither Stock nor Seller will be considered to be in default of performance of their obligations hereunder to the extent that performance of such obligations is affected by Force Majeure. This includes, but is not limited to, wars, strikes, fires, floods, earthquakes, explosions, blockages, embargoes or any acts of God.

14. **QUANTITY:** No variation in the quantity of any goods or services shall be accepted unless such variation has been caused by conditions of loading, shipping or packing or as allowances in the manufacturing process and then only to the extent allowed on the face of this order. All goods or services shipped in excess of the quantity ordered or the variation permitted may be returned by Customer at Seller's expense. If no packing list is enclosed with shipment showing net weight, Stock's net weight shall govern in the event of discrepancy.

15. **TRANSPORTATION:** A packing list must be enclosed with all shipments showing Stock's Purchase Order number where applicable, part number where applicable, and exact quantity and description of goods shipped. All goods or services shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner which shall secure the lowest transportation cost and no additional charge shall be made to Stock therefore unless otherwise stated herein.

16. **TERMINATION UPON DEFAULT:** If Seller fails to make any delivery or perform any service in accordance with the specified delivery dates or otherwise fails to comply with this order, if Seller fails to make progress to such an extent that performance of the order is endangered or if any proceeding is filed by or against Seller in bankruptcy or insolvency, or for appointment of a receiver or trustee, or Seller's execution of an Assignment for the Benefit of Creditors, Stock may terminate this order, either in whole or in part, without liability to Seller, and may take over the work and prosecute the same to completion by contract or otherwise and may take possession of and utilize in completing the work such materials, appliances and plant of Seller as may be on the site of the work and necessary thereof. The expense of so completing such work, together with a reasonable charge for administering a subcontract for such completion, will be charged to Seller, and such expense will be deducted by Stock out of such monies as may be due or may at any time thereafter become due to Seller. In case

such expense exceeds the sum which would have otherwise been payable under the Subcontract, then Seller and its sureties shall be liable for and shall upon notice from Stock promptly pay to Stock such excess.

17. **VOLUNTARY TERMINATION:** Stock may terminate this order in whole or in part at any time for any reason whatsoever by written or telegraphic notice. Upon receipt thereof, Seller shall and to the extent directed by Stock terminate work under this order and any subcontracts outstanding hereunder and take any necessary action to protect property in Seller's possession in which Stock has or may acquire an interest. Unless and to the extent otherwise specifically provided for elsewhere herein, the only liability of Stock for termination of this order in whole or in part is to pay Seller a reasonable termination charge consisting of a percentage of the order price reflecting the percentage of the work completed prior to the notice of termination, plus actual direct costs incurred prior to termination. Such payment by Stock shall be in full satisfaction of all claims which Seller may have against Stock under this order or for the termination hereof. IN NO EVENT SHALL SELLER BE ENTITLED TO LOST OPPORTUNITY COSTS, UNSABSORBED OVERHEAD OR ANTICIPATED PROFITS AS A RESULT OF TERMINATION OR SUSPENSION AND IN NO EVENT SHALL THE TERMINATION OR SUSPENSION CHARGES EXCEED THE AMOUNT ON THE FACE OF THE ORDER.

18. **TIME OF PERFORMANCE:** Time is and shall remain of the essence of this Agreement and no act of Stock, including without limitation modifications of this Agreement or acceptance of late deliveries, shall constitute a waiver of this provision. Stock reserves the right to refuse or return at Seller's risk and expense shipments made in advance of required delivery schedules or to defer payment on advance deliveries with scheduled delivery dates. If delivery of goods or rendering of services is not completed by the time required herein, Stock reserves the right, without liability and in addition to its other rights and remedies, to terminate this Agreement by notice effective when received by Seller, as to stated goods not yet shipped or services not yet rendered, and to purchase substitute goods or services elsewhere and charge the Seller with any loss incurred. Seller shall immediately notify Stock of any actual or potential labor dispute which is delaying or threatens to delay the timely performance of this Agreement and shall give Stock notice of all relevant information with respect thereto. Seller shall insert the substance of this clause, including this sentence, in any purchase order or subcontract hereunder.

19. **INSURANCE:** Seller shall at Seller's sole cost and expense maintain a policy or policies of insurance satisfactory to Stock, insuring all property on Seller's premises, owned by Stock, against loss or damage resulting from fire (including extended coverage) malicious mischief and vandalism. Satisfactory evidence of procurement of such insurance shall be provided to Stock within a reasonable number of days of acceptance of this order. Seller shall be responsible for loss or damage to property of Stock and to all property furnished to Seller pursuant to this Agreement caused by the negligence or wrongful acts or omissions of Seller, its representatives, agents or employees. Seller shall be responsible for returning any such property in as good condition as when received, except for reasonable wear and tear or for the utilization of it in accordance with the provisions of this Agreement. Seller shall not include any amount in its price for insurance on said property.

20. **WORK ON STOCK'S PREMISES:** In the event that this Purchase Order requires Seller to perform work or deliver goods on Stock's premises or the premises of a Customer of Stock, the Seller hereby assumes responsibility and liability for any and all damage or injury of any kind caused by, resulting from or occurring in connection with the execution of the work provided for in this Purchase Order. If any person shall make a claim for damage or injury, whether such claim be based upon Stock's alleged active or passive negligence or participation in the wrong or upon any alleged breach of statutory duty or obligation on the part of Stock, the Seller agrees to indemnify and save Stock harmless, and to assume on behalf of Stock the defense of any action at law or in equity, and to pay on behalf of Stock, the amount of any judgment that may be entered against Stock in any such action.

21. **STATUTORY COMPLIANCE:** Seller warrants that all goods or services furnished under this Contract, including the manufacture and sale thereof, conform to all applicable federal, state and local statutes, regulations and ordinances including the Walsh Healey Act and the Fair Labor Standards Act of 1938 as amended. Seller shall comply with all requirements of the Occupational Safety and Health Act Hazard Communication Standards, all state and local right- to-know laws, and all other Federal, state and local laws and regulations governing hazardous chemicals, including, without limitation, the material safety data sheet and product labeling requirements. Seller further certifies and warrants that to the extent required by law, it is in full compliance with all of the provisions of the Equal Opportunity Clause issued under Executive Order 11246 and the Occupational Safety and Health Act.

No technical data, drawings, information or specifications shall be incorporated in our used in the production of, and Seller shall not acquire, for use in performance of this order, any goods or services: (a) originating from sources within, or that were located in or transported from or through, any restricted or prohibited countries identified in such laws and regulations in effect from time to time; (b) from any restricted or prohibited person, firm, company or organization identified in such laws and regulations in effect from time to time; (c) from entities controlled by the governments of any restricted or prohibited countries identified in such laws and regulations in effect from time to time.

Seller shall indemnify and hold and save Stock, Stock's customers and any third-party claiming through Stock or its customers harmless from any liability or expense, including without limitation attorney's fees and court costs, resulting from Seller's failure of compliance. Seller agrees upon request to furnish Stock with a certification of compliance with respect to any or all such laws and regulations in such form as Stock may require.

22. **NON-ASSIGNMENT:** Assignment by Seller of this order, or any part hereof, or any monies due hereunder without the prior written consent of Stock shall be void, and none of the work contemplated by Stock to be performed by Seller pursuant to this order shall be subcontracted without the prior written consent of Stock.

23. **INVOICES:** Invoice in duplicate shall (a) be rendered separately for each delivery (b) cover not more than one order (c) be rendered with Stock's order number and routing. Invoices are paid from the date of receipt of goods or services or Stock's specified delivery date, whichever occurs later. If invoice is subject to discount, the discount period will be calculated from the date of receipt of the invoice by Stock.

24. **SECURITY AGREEMENT:** Seller hereby grants Stock a security interest in all work in process, parts and materials identifiable with the goods subject to this Purchase Order, to the extent of any payment made by Stock. Seller agrees to execute any UCC Financing Statements or other documents and do such other acts considered by Stock to be necessary to perfect or protect the security interest hereby created.

25. **WAIVER:** Failure of Stock to insist upon strict performance of any term or condition contained herein shall not be deemed a waiver of any subsequent default in performance of the same or any other term or condition.

26. **BUSINESS PRACTICES:** (a) Seller acknowledges, and agrees to comply with, Stock's commitment that all business activities be conducted ethically, with integrity, and in full compliance with both the letter and the spirit of the laws and regulations applicable to those activities. This commitment applies without limitation to the award of contracts/subcontracts on an impartial/competitive basis, personal business conduct, internal control systems, the giving/receiving of gifts,

and correct documentation and registration of financial accounts. No employee of Stock is authorized to ask Seller to operate on Stock's behalf in an illegal manner or in contrast with Stock's business-conduct policies. Should Seller ever receive, directly or indirectly from any Stock representative, a request that Seller believes is contrary to the provisions of this clause, Seller shall immediately notify Stock's general counsel. (b) Without limiting the generality of the foregoing or the effect of any other provision of this order, and to the extent Seller performs any of the work/services or obtains any of the goods required under this order in or from a foreign country: (1) Seller represents and warrants that it is familiar with the Foreign Corrupt Practices Act, as amended, ("the FCPA"). Seller further represents that, in particular, it is familiar with the prohibitions of the FCPA against paying or giving anything of value, either directly or indirectly, to foreign officials, candidates or political parties for the purpose of securing any improper advantage for a company, including assisting a company in obtaining or retaining business; and (2) Seller shall not make any offer, payment, promise to pay, gift, or promise to give monies or anything of value; nor authorize any such offer, payment, promise to pay, gift, or promise to give by anyone acting for or on behalf of Seller or Stock; to any government official, any political party or official thereof, any candidate for political office, any official of a public international organization, or any other person that is contrary to the provisions of the FCPA, as amended. (c) Seller acknowledges that the representations and warranties provided in this clause are material to Stock's award of this order to Seller. Stock may terminate this order at any time, without any liability or obligations to Seller, if Stock believes, in good faith, that Seller has violated any provisions of this clause. Any action by Seller which would or might constitute a violation of the FCPA, as amended, or a request for such action from or by a representative of Seller, shall result in immediate termination of this order without further liability or obligation of Stock.

27. **GOVERNING LAW:** Any questions with respect to the construction or interpretation of this Order, or the performance by either party thereunder, shall be determined in accordance with the laws of the State of Ohio, without regard to provisions relating to conflict of laws. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Order. Any and all controversies or disputes between Stock and Seller arising out of or in any way relating to this Order, the Work, or the Supplies ("Dispute") shall initially be addressed in accordance with the procedures of this Article.

Seller hereby irrevocably and unconditionally submits for itself and its property in any legal action or proceeding relating to this Order or the performance thereof or for recognition and enforcement of any judgment in respect thereof, to the exclusive jurisdiction of the State of Ohio, and any state or federal court located in the State of Ohio and consents and agrees to suit being brought in such courts. Seller hereby waives and agrees not to assert in any such action or proceeding, in each case, to the fullest extent permitted by applicable law (i) any claim of lack of personal jurisdiction; (ii) immunity from any legal process with respect to it or its property; (iii) that any such suit, action or proceeding is brought in an inconvenient forum; or (iv) that the venue of such suit is improper.