

TERMS AND CONDITIONS
(Governing contracts to provide goods and/or services to Customers of Godfrey & Wing Inc)

1. ENTIRE CONTRACT. THE TERMS AND CONDITIONS SET FORTH BELOW AND ON THE FACE SIDE HEREOF CONSTITUTE THE EXPRESSION OF ALL THE TERMS OF THIS AGREEMENT AND A COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN THE CUSTOMER AND GODFREY & WING INC. (the "Company") ALL REPRESENTATIONS, PROMISES, WARRANTIES OR STATEMENTS BY ANY AGENT OR EMPLOYEE OF THE COMPANY THAT DIFFER IN ANY WAY FROM THE TERMS AND CONDITIONS HEREOF SHALL BE GIVEN NO EFFECT OR FORCE. Any additional, contradictory or different terms contained in any initial or subsequent order or communication from the Customer pertaining to the Goods or Services described on the face hereof (herein sometimes referred to respectively as the "Goods" and the "Services") are hereby objected to. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party has knowledge of the nature of the performance and the opportunity for objection. All orders are subject to the approval by the Company at its offices in Aurora, Ohio, USA. No waiver or alteration of terms herein shall be binding unless in writing, signed by an executive officer of the Company. The Company shall be obligated to provide only the Goods and/or Services described in this Agreement.

2. PRICES & ACCEPTANCE OF ORDER. This proposal is subject to acceptance by the Customer within thirty days from the date hereof. Prices stated are subject to change without notice at any time prior to acceptance by the Customer. All prices are F.O.B. the designated Company, unless otherwise specifically set forth on the face side hereof.

3. PAYMENT TERMS. Payment terms for goods and/or services rendered shall be 1% discount if paid within 10 days of the invoice date, net amount due 30 days after the invoice date, unless contrary terms are specifically set forth on the face side hereof. The Customer agrees to pay a delinquency charge of 1-1/2% per month, or if such rate shall exceed the maximum rate allowed by applicable law, then a delinquency charge calculated at such maximum rate, on the outstanding balances not paid when due, from the date such balances were due until payment with respect thereof is made in full. Until the purchase price and all other sums due pursuant hereto are paid in full, the Company retains a security interest in the Goods and in all proceeds of said Goods. The Customer shall execute financing statement(s) on request and irrevocably authorizes the Company to execute and file same. In the event that a balance is referred to collection or the subject of any legal proceedings, Customer agrees to pay the cost of collection and reasonable attorney fees if a lawsuit is instituted. Venue for such a lawsuit will be in the state and county of Company's choice.

4. WARRANTIES, REMEDIES AND REPRESENTATIONS. The Company warrants that it will perform the Services or provide the Goods set forth on the face hereof and that such Goods and/or Services shall conform to the specifications(s) set forth on the face hereof. The Customer agrees that the remedy for the failure of any items delivered hereunder to conform to the specification(s) set forth on the face hereof shall be limited to the reprocessing of any such item. Prior to the return of any item for reprocessing or rework the Customer must receive written permission from an authorized representative of the Company.

EXCEPT FOR THE EXPRESS WARRANTY SET FORTH ABOVE, THE COMPANY MAKES NO OTHER REPRESENTATIONS OR WARRANTIES RELATING TO THE GOODS, OR THE PERFORMANCE OF ANY SERVICES BY THE COMPANY, EITHER EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES, WARRANTIES OF MERCHANTABILITY, OR WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. NO AFFIRMATION OF THE COMPANY, BY WORDS OR ACTION, OTHER THAN AS SET FORTH IN THIS SECTION 4 SHALL CONSTITUTE A WARRANTY. In the instance where the Services to be provided include impregnation of a component in conformance with the specification(s) set forth on the face hereof, the Company offers no warranty that the result will be a pressure tight component part.

5. LIMITATION OF LIABILITY. IN NO EVENT SHALL THE COMPANY HAVE ANY OBLIGATION OR LIABILITY ARISING FROM THE MANUFACTURE, USE OR SALE OF THE GOODS OR THE PERFORMANCE OF ANY SERVICES BY THE COMPANY IN CONNECTION WITH THE GOODS, INCLUDING, WITHOUT LIMITATION, FOR LOSS DUE TO TORT, FOR BUSINESS LOSS, FOR LOSS OF REVENUE OR PROFIT, OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. CONSEQUENTIAL DAMAGES FOR PURPOSES HEREOF SHALL INCLUDE, WITHOUT LIMITATION, LOSS OF USE, INCOME OR PROFIT, OR LOSSES SUSTAINED AS THE RESULT OF INJURY (INCLUDING DEATH) TO ANY PERSON, OR LOSS OF OR DAMAGE TO PROPERTY (INCLUDING WITHOUT LIMITATION PROPERTY HANDLED OR PROCESSED BY THE USE OF THE GOODS).

6. TITLE AND RISK OF LOSS. Any personal property owned by the Customer, or property for which the Customer is responsible, including, but not limited to the Goods, which is located at or stored in, or which is in transit to or from, the Company's facilities, shall be at the sole risk of loss and liability of the Customer. The Customer acknowledges and agrees that title to any such property shall remain with the Customer at all times, and any claims for losses or damage during shipment shall be made by the Customer directly with carrier. The Customer agrees to release and waive any rights which it may have to recover damages from the Company for the loss of, damage to, or loss of use of any such personal property arising out of fire or other casualty regardless of the negligence of the Company.

7. INDEMNIFICATION. THE CUSTOMER HEREBY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COMPANY FROM AND AGAINST ANY AND ALL LIABILITIES, LOSSES, DAMAGES, AND OTHER COSTS (INCLUDING REASONABLE ATTORNEYS' FEES AND OTHER COSTS OF DEFENSE ARISING FROM THE CUSTOMER'S MANUFACTURE, USE, OR SALE OF THE GOODS). IN ADDITION, IN THE EVENT OF ANY DAMAGE, LOSS OF, OR LOSS OF USE OF ANY PERSONAL PROPERTY FOR WHICH THE CUSTOMER IS RESPONSIBLE, THE CUSTOMER SHALL INDEMNIFY, DEFEND, PROTECT, AND HOLD HARMLESS THE COMPANY FOR ALL CLAIMS OF ANY THIRD PARTY WHICH MAY HAVE AN INTEREST IN SUCH PERSONAL PROPERTY.

8. ACCEPTANCE AND TRANSPORTATION. Upon the Customer's receipt of any shipment, the Customer shall immediately inspect the Goods. Unless the Customer provides the Company with written notice of any claim for shortages of or defects in the Goods within forty-eight (48) hours after receipt of shipment, such Goods shall be deemed finally inspected, checked and accepted by the Customer.

9. CREDIT TERMS. All orders and shipments shall at all times be subject to the approval of the Company's Credit Department. The Company reserves the right of declining to perform any Service and/or to make any shipment whenever, for any reason, if there is doubt as to the Customer's financial responsibility and in such event, the Company shall not be liable for breach or nonperformance of contract in whole or in part.

10. TAXES. Unless otherwise specifically provided on the face hereof, the price for the Goods purchased and/or Services provided are net and do not include any gross receipts, sales, use, excise or similar taxes, whether federal, state or local under any applicable statute. The amount of any such taxes applicable to the Goods and/or the Services shall be paid by the Customer in the same manner and with the same effect as if originally included in the purchase price.

11. SHIPMENT DATES AND DELAYS. All shipping and processing dates are approximate, and are based upon current availability of materials, present production schedules, and prompt receipt of all necessary information. The Company shall only agree to a specific shipping schedule in writing signed by an authorized representative of the Company. The Company will not be liable for any damage, loss, fault, or expenses arising out of delays in shipment or other nonperformance of this Agreement caused by or imposed by: (a) strikes, fires, disasters, riots, acts of God, (b) acts of the Customer, (c) shortages of labor, fuel, power, materials, supplies, transportation, or manufacturing facilities, (d) governmental action, (e) subcontractor delay, or (f) any other cause or condition beyond the Company's reasonable control. In the event of any such delay or nonperformance, the Company may, at its option, and without liability, (i) cancel all or any portion of this Agreement (ii) extend any date upon which any performance hereunder is due, and/or (iii) renegotiate the prices and terms and conditions of this Agreement. If the Company elects to renegotiate, and the Company and the Customer are unable to agree on revised prices and terms, this Agreement shall be canceled without liability to the Company.

12. TERMINATION, CANCELLATION AND CHANGES. Orders cannot be terminated, canceled or modified, or shipment deferred after acceptance of the Customer's order by the Company, except with the Company's written consent and subject to conditions then agreed upon which shall indemnify the Company against liability and expense incurred and commitments made by the Company and which shall provide for cancellation charges including, but not limited to, the Company's incurred costs and profits which would have been realized by the Company pursuant to such order.

13. CUSTOMER SUPPLIED DRAWINGS AND SPECIFICATIONS. Any designs, drawings and/or specifications supplied by the Customer to the Company shall be adhered to. The Company shall not be responsible for suitability of any such designs, drawings and/or specifications for any application intended.

14. PATENT INFRINGEMENT. The Customer agrees to defend and indemnify the Company against any claims or liabilities for, or by reason of, the infringement of any United States Patent arising from the Service rendered to the Goods. The Customer, at its own expense, shall defend any suit brought against the Customer or the Company on the ground that use of the Goods Serviced hereunder by the Company infringes any United States Letters Patent existing on date of this agreement, and shall pay the amount of any judgment that may be awarded against the Company in any such suit.

15. GENERAL CONDITIONS.

No agent, salesman or other party is authorized to bind the Company by any agreement, warranty, statement, promise or understanding not herein expressed.

This Agreement and all transactions hereunder shall be governed by the laws of the State of Ohio.

In addition to the rights and remedies conferred upon the Company by law, the Company shall not be required to proceed with the performance of any order or contract, if the Customer is in default in the performance of any order or contract with the Company, and in case of doubt as to the Customer's financial responsibility, shipments under this order may be suspended or sent sight draft with bill of lading attached by the Company.

Any clerical errors are subject to correction.

No delay or omission by the Company in exercising any right or remedy provided for herein shall constitute a waiver of such right or remedy and shall not be constituted as a bar to or a waiver of any such right or remedy on any future occasion.

This contract shall be binding upon and shall inure to the benefit of the successors, and assigns of the Customer and the Company, provided, however, that the Customer may not assign or transfer this contract, in whole or in part, except upon the prior written consent of the Company.