

KENTAK PRODUCTS COMPANY STANDARD TERMS AND CONDITIONS OF SALE

These Standard Terms and Conditions of Sale (these "Terms") set forth all of the terms and conditions that apply to your purchase of any products from Kentak Products Company ("Seller"). As used in these Terms, "Buyer" refers to any person named on any sales order acknowledgment, invoice, price sheet, shipping label or other document provided to the purchaser or end user of any products or services supplied by Seller. By accepting the delivery or performance of any products or services provided by Seller, Buyer irrevocably and unconditionally accepts and agrees to be bound by these Terms, whereupon these Terms shall become the complete, final, binding and exclusive statement of the terms of agreement (this "Agreement") between Buyer and Seller regarding Buyer's purchase of the applicable products or services from Seller. THESE TERMS APPLY UNLESS BOTH BUYER AND SELLER HAVE SIGNED A SEPARATE, WRITTEN PURCHASE AGREEMENT SETTING FORTH DIFFERENT TERMS AND CONDITIONS OF SALE, IN WHICH CASE THE SEPARATE AGREEMENT SHALL GOVERN. THESE TERMS ARE SUBJECT TO CHANGE AT ANY TIME IN SELLER'S SOLE DISCRETION AND WITHOUT PRIOR NOTICE.

1. Acceptance. No orders (whether oral or in writing) are binding upon Seller until accepted by Seller and each acceptance by Seller is subject to Buyer's acceptance of these Terms. ANY PURCHASE ORDER, OFFER, CONFIRMATION OR OTHER DOCUMENT CONTAINING TERMS OR CONDITIONS INCONSISTENT WITH OR IN ADDITION TO THESE TERMS ARE HEREBY REJECTED, WILL NOT BE BINDING UPON SELLER AND SHALL NOT BECOME PART OF ANY BINDING AGREEMENT BETWEEN BUYER AND SELLER UNLESS SPECIFICALLY ACCEPTED BY SELLER IN WRITING. SELLER'S ACCEPTANCE OF BUYER'S OFFER TO PURCHASE IS EXPRESSLY CONDITIONED ON BUYER'S ACCEPTING ALL OF THE TERMS HEREIN, INCLUDING TERMS DIFFERENT FROM OR IN ADDITION TO BUYER'S OFFER TO PURCHASE.

2. Warranties and Disclaimer; Product Suitability. Seller warrants that the products manufactured by Seller will be free from defects in material and workmanship for a period of six (6) months after shipment, and any suit based on any cause of action must be commenced within this six (6) month period. Seller will refund the price of or replace, at Seller's option, any products determined by Seller to be defective within this six (6) month period, provided Buyer has acted in accordance with these Terms. No item shall be deemed defective if the item conforms to approval models, samples, test runs, or previously accepted items or otherwise reasonably accommodates Buyer's intended purpose. Seller does not warrant against failures caused by misuse or improper use of the products, use of the products not in compliance with instructions or this Limited Warranty, or any alteration or repair which, in the judgment of Seller, adversely affects the products. Determination of the suitability of the product for the uses and applications contemplated by Buyer and others shall be the sole responsibility of Buyer. Buyer assumes all risks and liabilities for results obtained by the use of the product, whether used singly or in combination with other material, except those relating solely to the use of product not conforming to the product specifications, which non-conformity is not known to Buyer and is not discoverable by Buyer, by testing or otherwise, prior to the use thereof by Buyer or others.

3. Inspections, Acceptance, Cancellations and Returns. Each delivery shall be inspected by Buyer for observable damage and/or non-conformity at the time of delivery. Failure to so inspect shall constitute a waiver of Buyer's rights of inspection and shall constitute an unqualified acceptance of the products. Claims related to non-conforming products shall be made in writing within ten days after discovery thereof and in all cases within the six (6) month warranty period stated in Section 2, above. All other claims shall be made within ten days after receipt of the product to which the claim relates, or if for non-delivery, after the scheduled delivery date thereof, and in all cases within the six (6) month warranty period stated in Section 2, above. Buyer's failure to give Seller written notice of any claim within the applicable time period shall constitute an absolute and unconditional waiver of such claim. In no event shall Buyer commence any action under this contract after the six (6) month warranty period stated in Section 2, above. All requests for returns must be in writing and authorized in writing prior to returning. Delivery of goods returned without authorization may be refused from the carrier. Seller reserves the right to assess a return or restocking charge for products returned for reasons other than damage or non-conformity. Minimum charge to restock stock items is \$25.00, or 25% of

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the invoice value, whichever is greater. Cancellations of custom orders, if accepted, will be subject to a cancellation fee. The cancellation fee will be based upon, but not limited to, production costs incurred up to the time of cancellation. Completed custom orders cannot be cancelled or returned.

4. Permissible Variations. Seller has the right, without giving notice to Buyer, prior to the delivery of products to Buyer to make any changes in the composition of the products which, in the opinion of Seller, does not affect the general characteristics or properties of the products. In addition, Seller may make any change or variation in the products which is within governmental or industry standards or specifications applicable at the time of manufacture without giving notice to Buyer. Buyer will accept any products which may incorporate any changes in the composition or specifications, and any increase in price resulting from such change will be paid by Buyer. Ten percent over or under shipment shall be accepted by Buyer as a completed order, and Seller shall adjust the invoice accordingly.

5. Limitation of Liability. Except as set forth in Section 2, above, Seller makes NO OTHER WARRANTIES concerning the products whatsoever. SELLER DISCLAIMS AND EXCLUDES ALL OTHER EXPRESS WARRANTIES AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Buyer acknowledges and agrees that Seller's obligation described in this paragraph is the sole remedy bargained for by Buyer or user IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES. In no event will Seller's liability exceed the paid purchase price of the products. Seller's obligations described in this paragraph are BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST SELLER FOR ANY LIABILITY WITH RESPECT TO THE PRODUCTS WHETHER ANY CLAIM FOR RECOVERY IS BASED UPON OR ARISES OUT OF THEORIES OF CONTRACT, NEGLIGENCE, TORT (INCLUDING STRICT LIABILITY) OR OTHERWISE. Buyer agrees that NO OTHER REMEDY SHALL BE AVAILABLE to Buyer and that IN NO EVENT SHALL SELLER BE LIABLE FOR ANY LOST PROFITS, LOSS OF BUSINESS, SPECIAL, PUNITIVE, OR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

6. Payment Terms; Orders; Security Interest. All payments related to the purchase of products or services from Seller are due by the 30th day of the month following the month in which the goods or services are invoiced by Seller. Seller reserves the right if payment has not been made by the due date to withhold further deliveries and to take whatever action (legal or otherwise) Seller believes to be appropriate to facilitate collection of all amounts due and to recover the products in question. Buyer agrees that Seller may charge interest on all overdue amounts at a per annum rate equal to the higher of (a) 2% per month or (b) the highest rate permitted by law. Unless credit terms have been agreed in advance, all payments for products or services will be made by cash, credit card, wire transfer or some other prearranged payment method. Seller reserves a security interest in the products to secure Buyer's payment of the purchase price and any other charges owed by Buyer, and Buyer agrees that Seller may (but is not obligated to) take such action as Seller deems advisable to evidence and perfect such interest and that Buyer will cooperate with Seller in the taking of such actions including, without limitation, the signing by Buyer of financing statements. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or satisfactory security may be required by Seller before proceeding with further deliveries.

7. Shipping; Title and Risk of Loss. Seller shall pay for all costs, fees, charges, and other amounts (including without limitation, the cost of shipping and insurance) associated with packing and shipping the products to Buyer; provided that separate charges for shipping and handling may appear on invoices. The selection of carrier and routing of shipment shall be at Seller's option unless the terms and shipment require Buyer to pay all costs, fees, charges, and other amounts associated with packing and shipping the products. Title to and risk of loss in the products shall pass to Buyer upon Seller's delivery to carrier at the shipping point, notwithstanding any terms of shipment specified herein.

8. Taxes. Any tax or other governmental charge or increase thereof hereafter becoming effective increasing the cost to Seller of producing, selling or delivering the products or of procuring any

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material used therein and any tax now in effect or increase thereof payable by Seller due to the sale, use of delivery of the product, such as, but not limited to, Sales Tax, Use Tax, Retailer's Occupational Tax, Gross Receipts Tax, Value Added Tax, and Transportation Tax may, at Seller's option, be added to the purchase price. Buyer is solely responsible for all Sales Tax, Use Tax, excises, duties and other taxes or similar charges associated with the purchase of products or services from Seller.

9. Force Majeure; Corrections. Seller shall not be responsible or liable for any delay in, failure to deliver, or impairment of performance resulting in whole or in part from any Acts of God, severe weather conditions, labor disruptions, governmental decrees or controls, insurrections, war risks, shortages, inability to procure or ship a product, provide a service or obtain any necessary government permits, licenses, supplies or raw materials, or any other circumstances or causes beyond the reasonable control of Seller in the conduct of its business which make unpractical the production, transportation or delivery of the product or any material used in connection with its production ("Force Majeur"). In no event shall Seller be obligated to purchase product to replace the quantities not delivered due to any such case or circumstance. Orders and prices are subject to correction of clerical errors. Prices are subject to change in the event of Force Majeure.

10. Allocation. In the event of any cause or circumstance excusing Seller's performance under this Agreement, Seller shall have the right to utilize its available production and/or supply to satisfy its own requirements, including those of its subsidiaries and affiliates, in full, and to allocate any remaining production and/or supply among its customers including those not under contract in a fair and reasonable manner, and Buyer hereby releases Seller from responsibility or liability for any resulting incomplete fulfillment of this Agreement.

11. Non-Waiver. Seller shall not be deemed to have waived any term or condition of this Agreement or to have assented to any exception to or modification of such terms and conditions unless such waiver or assent is in writing and signed by an authorized officer of Seller. Seller's failure at any time to require strict performance by Buyer of any provision in this Agreement shall not waive or diminish Seller's right thereafter to demand strict performance therewith or with any other provisions. Waiver of any default shall not waive any other default.

12. Other Documents; Modifications. This Agreement may NOT be altered, amended or superseded by other document(s). Any attempt to alter, modify, vary, supplement, amend or supersede all or any portion of this Agreement or any of the Terms set forth herein, or to subject this Agreement to the transactions to which this Agreement applies to any supplemental, additional or altered terms or conditions, will be null and void and with no force or effect, unless otherwise agreed to in a written agreement signed by both Buyer and Seller. Any variation of these Terms introduced or proposed by Buyer in any manner is hereby REJECTED and shall be ignored unless Seller agrees to such variation in writing. Buyer understands and agrees that the return by Seller of a standard order acknowledgment form does not constitute a written agreement by Seller to the modification of these Terms.

13. Other. These Terms shall be governed by and construed under the laws of the State of Ohio, without giving effect to principles of conflict of laws thereof. The delegation or assignment by Buyer of any or all of its duties or rights hereunder without Seller's prior written consent shall be void. Any representation, understanding, proposal, warranty, course of dealing or trade usage not contained or referred herein shall not be binding on Seller. This Agreement is for the benefit of the parties hereto and not for any other person except as specifically provided herein. In the event that any provision or part thereof of this Agreement is or becomes invalid or illegal in whole or in part, such provision shall be deemed amended so as to, as nearly as possible, be consistent with the intent expressed in the Agreement. If this is impossible, such provision or part thereof shall be deemed to be deleted, but shall not in any way invalidate any of the remaining provisions or parts of this Agreement. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement. This Agreement together with any documents expressly referred to on the face hereof including but not limited to any purchase order or

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invoice, constitute the entire agreement between the parties with respect to subject matter hereof, and supersede in its entirety any prior to contemporaneous agreements with respect to such subject matter.