## P.R. HOFFMAN MACHINE PRODUCTS INC. STANDARD TERMS AND CONDITIONS OF SALE

The following terms and conditions of sale shall apply to the sale of Products and Services between P.R. Hoffman Machine Products Corporation, "Seller," and "Buyer" whose name and address are set forth on the Order Acknowledgement. Products and Services shall refer to the products and/or services on the Order Acknowledgement.

- 1. **Price.** The price for the Products and Services shall be the price set forth on the Order Acknowledgement. If no price is show, the price for the Products being sold hereunder shall be Seller's regular list price for the Products in effect at the time of shipment.
- 2. **Terms of Payment.** Unless terms are specifically set forth on the Order Acknowledgement, Buyer shall pay for each unit of Products and/or for all Services at such time on such terms as shall be specified in Sellers original invoice thereof.
- Shipment. Delivery terms are f.o.b. at seller's plant in Carlisle, Pennsylvania. All delivery dates are approximate
  only and not a guarantee or any particular date. SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR
  PENALTIES WHATSOEVER, WHETHER DIRECT, INDIRECT, SPECIAL, CONSEQUENTIAL OR INDIENTAL
  FROM DELAY IN DELIVERY.
- 4. **Taxes.** Any tax levied by any governmental authority on the sale of Products of Services shall be paid by Buyer in addition to the purchase price.
- 5. Warranty. Subject to the terms of Paragraph 6 hereof, all parts or tooling sold as Products hereunder and/or Services performed hereunder are warranted by Seller only to meet Buyer's technical specifications as agreed to in writing by Seller. All processing machines sold as Products hereunder are warranted by Seller to be free from defects in materials and workmanship for a period of one year after the date of shipment by Seller except for the components of such machines specified on the Order Acknowledgements. Seller's warranty of processing machines covers parts only, does not cover any machine which has been abused, misused, or negligently operated or maintained. If Buyer notifies Seller in writing within ten days after discover of defect during the warranty period only and if such defect appears in Seller's sole judgment to be a defect In specifications of Services, or to be a defect in material and workmanship of machine products attributable to Seller, Seller will make such repair or replacement to correct such defect as Seller in its sole judgment shall deem appropriate. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES FOR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN RESPECT OF THE PRODUCT AND/OR SERVICES AND THERE ARE NO WARRANTIES EXPRESSED OR IMPLIED WHICH EXTEND BEYOND THE WARRANTIES CONTAINED HEREIN. THE FOREGOING REMEDY SHALL BE BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST SELLER.
- 6. **Limitation of Liability.** Seller is not responsible for quantity of yield unless provided for on the Order Acknowledgement. Seller shall not be liable to Buyer for any defect indirect, consequential, or incidental damages whatsoever.
- 7. **Buyer's Assurance.** Whenever Seller shall demand reasonable assurance of the Buyer's ability to pay for any or all of the Products and/or Services, Buyer shall promptly furnish Seller with such reasonable assurance. Unless such assurance is promptly given and adequate arrangements of payment are promptly made, Seller may suspend or cancel, at its sole option, production, delivery or shipment of Products and/or performance of Services.

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- 8. **Acceptance of the Products.** Buyer shall inspect each item of Products within ten days after delivery and shall notify Seller in writing of any non-conformity to the Products specified in the Order Acknowledgement with ten days after inspection. Buyer shall be deemed to have accepted each and every item of Products for which it does not give written notice of non-conformity within the time specified in this paragraph 8.
- 9. **Future Orders.** Seller's acceptance (if such as taken place) of the order set forth on the Order Acknowledgment does not constitute an agreement to accept future orders from Buyer, and all such future orders are subject to acceptance by Seller at Carlisle, Pennsylvania.
- 10. **Cancellation.** In the event that the Buyer cancels all or any part of the order set forth on the Order Acknowledgement or refuses to accept any conforming items of Products, Seller shall be entitled to all the remedies provide by the Uniform Commercial Code as adopted in Pennsylvania and shall, in addition, be entitled to all consequential, special, or incidental damages resulting from such cancellation or refusal of acceptance.
- 11. **Governing Law.** This is a contract for the sale of goods between merchants and shall be governed and construed in acceptance with the laws of the Commonwealth of Pennsylvania applicable to contracts made and to be performed wholly within that State.
- 12. **Waiver and Modification.** Seller's failure to insist on the performance of any item or condition hereof shall not constitute a waiver of any of the Seller's rights hereunder or a waiver of any default by Buyer. No term or condition hereof can be waived or modified except by written consent.
- 13. **Remedies.** The remedies herein reserved to Seller shall be cumulative and shall be in a addition to any other remedies provided by law.
- 14. **Assignment.** (a) Buyer shall not assign any of its rights hereunder, nor delegate any of its duties or obligations hereunder without Seller's prior or written consent. (b) Seller may assign all its rights or delegate any of its duties or obligations hereunder at any time without notice of any kind to Buyer.
- 15. **Entire Agreement.** This acknowledgement constitutes the entire agreement between Seller and Buyer and supersedes all other communications, representations, or agreements, oral written, between the parties with respect to the subject matter hereof.

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