

**OGS INDUSTRIES**  
(Ohio Gasket & Shim, Progressive Stamping, Mil-Pak, Procurement)  
**TERMS AND CONDITIONS OF SALE**

1. ACCEPTANCE - ACCEPTANCE IS LIMITED TO THE PROVISIONS AND TERMS CONTAINED HEREIN, ANY DIFFERENT OR ADDITIONAL PROVISIONS, INSTRUCTIONS OR TERMS IN YOUR ACCEPTANCE ARE HEREBY OBJECTED TO AND REJECTED. THIS AGREEMENT IS BASED UPON OUR BEING ABLE TO DELIVER IN THE QUANTITIES SUCH AS MAY BE CONSIDERED "ONE RUN" OR IN CONTINUOUS PRODUCTION OF THE QUANTITY SPECIFIED. SMALLER OR NON-CONTINUOUS RUNS ARE SUBJECT TO INCREASE IN PRICE.
2. TERMS OF PAYMENT - Terms are net thirty days from date of invoice unless otherwise specified. A charge of 2% per month will be made on any balance due after thirty days from date of invoice.
3. PERMISSIBLE VARIATIONS - Unless otherwise agreed upon in writing, the Buyer will accept over or under shipment not exceeding 10% of the quantity ordered.
4. BINDING CONTRACT - This Agreement shall not result in a binding contract until it is accepted by Seller at Seller's facility in Akron, Ohio.
5. DELIVERY - Delivery terms are F.O.B. Seller's dock in Akron, Ohio unless otherwise stated on the face side of this document, Delivery dates are approximate; Seller shall not be liable for failure to deliver or delayed delivery due to causes beyond its reasonable control including, but not restricted to, Acts of God, acts of Government, acts of Buyer, fires, strikes, floods, accidents, epidemics, quarantine restrictions, declared or undeclared war, insurrection or riot, civil or military Authority compliance with priority or allocation orders or preference ratings issues by the Government, freight embargoes, car shortages, wrecks, or delays of transportation, inadequate transportation facilities, unusually severe weather, or inability to obtain necessary labor, fuel, materials, supplies, or manufacturing facilities and delays of a subcontractor due to such causes. In no event shall Seller be liable for any consequential or incidental damages, loss or expense arising from failure of delivery or delayed delivery of the goods.
6. COUNT - Claims for shortages must be made upon receipt of goods shipped. The receipt and acceptance of goods without immediate notification as to shortages will be deemed acceptance, and Seller shall have no further responsibility for shortages.
7. WARRANTIES - All goods sold, or work performed hereunder are warranted to be free from defects in materials and workmanship subject to standard industry tolerances and normal use for a period of ninety (90) days from date of shipment. Seller's sole obligation for any goods, which are defective, shall be to issue credit for, or to repair or replace any item or part thereof which is proved to be other than as warranted, whichever is smaller; no allowance shall be made for any labor, charges of Buyer for replacement of parts, adjustments or repairs, or any other work.

The warranty is void as to any goods or parts thereof which have been subjected to misuse or neglect, damaged by accident, rendered defective by reason of improper assembly and/or installation or by the performance of repairs or alterations outside of Seller's warehouse except when performed under Seller's written authority. **Proper storage in a low humidity environment after receipt is critical. Seller's warranty is void as to any goods damaged due to improper storage.**

Every claim for breach of the warranty herein contained shall be deemed to be waived by Buyer unless made in writing to Seller within ninety (90) days from the date of receipt of goods.

If Buyer claims a breach of warranty, Seller, upon receipt of timely notice, will, at the Seller's option, either examine samples of the goods at Seller's warehouse or at the Buyer's warehouse prior to the issuance of shipping instructions for return of the goods to Seller (Transportation costs prepaid by Buyer). In the event that any goods are proved to be other than as warranted, transportation costs (cheapest way) to Seller's warehouse will be borne by Seller and reimbursement or credit will be issued for the amounts so expended by Buyer.

Other than as set forth above, **SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IS HEREBY DISCLAIMED AND EXCLUDED BY THE SELLER. IT IS UNDERSTOOD AND AGREED THAT THE SELLER'S LIABILITY, WHETHER BASED IN CONTRACT, TORT, UNDER ANY WARRANTY, EXPRESS OR IMPLIED, IN NEGLIGENCE OR OTHERWISE, SHALL NOT UNDER ANY CIRCUMSTANCES EXCEED THE COST OF REPAIR OR REPLACEMENT OR RETURN OF THE PURCHASE PRICE, WHICHEVER IS SMALLER, AND UNDER NO CIRCUMSTANCES SHALL THE SELLER BE LIABLE FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**THERE ARE NO EXPRESS WARRANTIES BY SELLER COVERING GOODS MANUFACTURED BY SOMEONE OTHER THAN SELLER. SUCH WARRANTIES AS MAY BE FURNISHED TO SELLER BY THE MANUFACTURER OF SUCH GOODS WILL BE EXTENDED TO BUYER BY THE SELLER.
8. LIMITATION OF ACTION - No action shall be brought for any breach of a contract formed as a result of this Agreement and/or any claim for defective goods, design and/or workmanship, more than one year after the accrual of the date of delivery.
9. CANCELLATION - Orders cannot be cancelled or modified or releases held up by the Buyer after the material and order is in process, except with the Seller's written consent and subject to conditions then to be agreed upon, which shall include protection of the Seller against all costs and losses.
10. TAXES - Any direct or excise tax which may hereafter be imposed by Federal, State or local government, or any subdivision thereof, upon the manufacture, sale or delivery of the goods, or any increase in the rate of any such tax now in force, may be added to the purchase price of the goods and shall be paid by the Buyer unless exemption certificates are furnished by the Buyer.
11. CREDIT - We may at any time alter or suspend credit terms, refuse shipment or cancel unfilled orders when in our opinion the financial condition of the Buyer or the status of the account warrants it or where delivery is delayed by fault of the Buyer or the Buyer is delinquent in any payment. Buyer agrees to promptly respond to any request for adequate assurance of performance and if Buyer fails to do so to the satisfaction of the Seller, Seller may cancel this order without liability to Seller.
12. DEFAULT IN PAYMENT - In the event that Buyer shall fail to make payments on the contract between Buyer and Seller in accordance with the terms of this contract, the Seller shall have all of the options afforded by the Uniform Commercial Code, and in addition thereto, may, notwithstanding said default, ship to the Buyer any undelivered balance of the goods sold, or any portion of said balance. No waiver of any default of the Buyer by the Seller shall operate as a waiver of any subsequent default of the Buyer.
13. GOVERNING LAW - The rights of the parties hereto and the construction and effect of their contract shall be governed by the laws of the State of Ohio.
14. CHANGES IN SPECIFICATION OR DESIGN - If Buyer requests changes in specifications or designs relating to any goods, delivery schedules shall be revised, if necessary, and an equitable adjustment shall be made in price if warranted.
15. MODIFICATION - None of the terms and conditions contained in this agreement may be added to, modified, superseded or otherwise altered except by written instrument signed by an authorized representative of the Seller and an authorized representative of the Buyer and delivered to the respective parties.
16. ASSIGNMENT - This agreement may not be assigned by Buyer without Seller's written consent.
17. RISK OF LOSS - The risk of loss of the goods which are the subject of this agreement shall pass to the Buyer upon shipment of the goods from Seller's warehouse.
18. TITLE - Title to the goods which are the subject of this agreement shall remain and continue in the Seller until payment in full of the contract price set forth herein.
19. INDEMNIFICATION - The customer agrees to indemnify and hold Seller harmless from any cost, expense or liability for infringement of any patents or trademarks associated with the goods produced by Seller,
20. COMPLETE AGREEMENT - No agent, employee or representative of the Seller has any authority to bind the Seller to any affirmation, representation or warranty concerning the goods which are subject to this agreement, and unless an affirmation, representation or warranty made by an agent, employee or representative is specifically included in this agreement, it has not formed a part of the basis of this bargain and shall not in any way be enforceable.
21. ARBITRATION - Buyer and Seller agree to submit any dispute arising out of the interpretation, performance or breach in accordance with the rules of the American Arbitration Association Rules governing commercial disputes. To the extent, if any, that any dispute is subject to litigation, the parties' consent to the jurisdiction of the Courts in Summit County, Ohio, and the parties agree to waive a trial by jury.

**ADDITIONAL TERMS**  
**EQUIPMENT**

All Equipment, including but not limited to molds, dies, tools, jigs, fixtures, patterns and gauges, supplied by Seller shall be Seller's property. Ownership, including the right of removal of such equipment, may be obtained by the Buyer upon its reimbursement to Seller for the costs of the equipment and the design, development, maintenance, storage thereof and experimental work thereof.

**EQUIPMENT OF BUYER**

Equipment paid for or furnished by the Buyer will be limited in use to Buyer's requirements excepting by permission. Seller agrees to keep all such equipment paid for or furnished by the Buyer in a reasonable state of good preservation as long as it remains in Seller's control, but Seller accepts no responsibility for the operation of this equipment after removal from Seller's plant. In no event shall Seller be responsible for loss or damage to molds, dies, gauges, jigs, fixtures or patterns caused by fire or other casualty. Buyer shall reimburse Seller for the costs of adaptation, modification or excessive maintenance of any such equipment.

Any equipment paid for or furnished by Buyer which is inactive for a period of 1 year may, at the option of Seller, be scrapped upon notification to Buyer, unless Seller is otherwise instructed within 30 days from the date of such notice. Seller may retain all amounts received from scrapping any such equipment as payment for storage and maintenance costs. It is understood and agreed that Seller shall have a lien on all equipment, whether purchased from Seller or shipped to Seller by Buyer for any amounts owed by Buyer.