

AIR-WAY GLOBAL MANUFACTURING'S TERMS AND CONDITIONS OF SALE

1. **Background.** Air-Way Manufacturing Company DBA Air-Way Global Manufacturing ("Air-Way") develops, manufacturers, markets, sells and distributes various hydraulic fittings, lines and adapters; hose and tube fittings and assemblies; and other products, all as more fully described in Air-Way's product catalog and on its website ("Products"), for various industries, including construction, agriculture, forestry, mining, material handling, industrial equipment and others. The Buyer (as identified in the related Quote or Purchase Order) is interested in purchasing from Air-Way those Products (including any related services) described in the Buyer's Purchase Order or Air-Way's Quote, as applicable. These Terms and Conditions are an integral part of Air-Way's Quote and shall be deemed incorporated into Buyer's Purchase Order whether or not specifically referenced therein.
2. **Offer & Acceptance; Agreement.** Buyer's acceptance of Air-Way's Quote and/or Air-Way's acceptance of Buyer's Purchase Order are limited to acceptance of the express terms and conditions contained herein. Once accepted, Air-Way's Quote or Buyer's Purchase Order, as the case may be, together with these Terms and Conditions, and any supplementary written information incorporated by reference herein, shall be the complete and exclusive statement of the parties' agreement and supercedes any prior discussions, negotiations, agreements, and understandings. Any modifications proposed by Buyer are not part of the parties' agreement in the absence of Air-Way's written acceptance thereof in a separate writing. Any terms or provisions in the Buyer's Purchase Order which are in any way inconsistent with those herein shall be null and void and the Terms and Conditions herein shall control. The acceptance of Air-Way's Quote or the issuance or placing of a Purchase Order by Buyer shall constitute acceptance of the Terms and Conditions contained herein.
3. **Purchase Price And Payment Terms.** The price quoted by Air-Way for the Products is in U.S. dollars for the quantity shown, and is exclusive of any taxes, freight, duty, and custom's charges. All payments must be made in U.S. currency. The purchase price for the Products shall be paid 1% 10, net thirty (30) days unless otherwise specified by Air-Way in writing. If, in Air-Way's judgment, the financial condition of the Buyer at the time Products are ready for shipment does not justify the terms specified, Air-Way reserves the right to change these terms or to require full payment or partial payment in advance. All sales are subject to the approval of Air-Way's credit department.
4. **Warranty.** Air-Way warrants the Products to be free from defects in material and workmanship under normal and recommended use and that the Products will conform to Air-Way's published specifications or, if applicable, Buyer's specifications accepted by Air-Way in a separate writing. Air-Way's obligation under this warranty shall be limited to the repair or replacement of Products to the extent of any proven defect, or at Air-Way's election, to the repayment or crediting of Buyer with an amount equal to the purchase price of such defective Products, whether such claims are for breach of warranty, breach of contract, or negligence. This warranty shall extend for twelve (12) months from date of delivery to the original Buyer only, and shall apply only to those Products which upon Air-Way's examination disclose to its satisfaction that the Products in question were in fact defective. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR USE AND OF ALL OTHER OBLIGATIONS OR LIABILITIES ON AIR-WAY'S PART. THIS WARRANTY SHALL NOT APPLY TO ANY PRODUCT OR PART WHICH HAS BEEN SUBJECT TO ACCIDENT, NEGLIGENCE, ALTERATION, ABUSE OR MISUSE OR WHICH IS PROVEN NOT TO BE DEFECTIVE. AIR-WAY MAKES NO WARRANTY WHATSOEVER IN RESPECT TO ACCESSORIES, PARTS OR COMPONENTS NOT SUPPLIED BY AIR-WAY. Notwithstanding the foregoing, any parts or components purchased by Air-Way from its vendors shall only carry the vendor's specific warranty, to the extent transferable to Buyer. No representation or warranty, expressed or implied, made by any sales representative or other agent or representative of Air-Way, which is not specifically set forth herein, shall be binding upon Air-Way.
5. **Standards.** Many countries have adopted laws relative to standardization and product certification applicable to various products, including equipment and products such as those produced and sold by Air-Way. Air-Way warrants that its Products are compliant with standards required under laws of the United States, but it cannot and does not warrant conformity with the standardization and product certification requirements of any other country except to the extent set forth in a separate writing delivered to Buyer by Air-Way. In the absence of such a separate writing, Buyer assumes the obligations for compliance with the laws of any other country to the extent such laws are applicable.
6. **Inspection And Rejection.** Final inspection of the Products purchased pursuant to the terms hereof shall be at Buyer's premises unless otherwise agreed in writing. The Products rejected as not conforming to the Purchase Order, or as otherwise defective, shall be returned at Buyer's initial expense, including transportation and handling costs, but subject to reimbursement by Air-Way upon confirmation of the defect claimed. Acceptance by Buyer of shipment of the Products by Air-Way shall be deemed to have occurred no later than ten (10) days following receipt of such shipment by Buyer or Buyer's customer, unless a timely rejection has been made by that date.
7. **Shipment And Delivery.** Except as provided in Paragraph 6, above, as it relates to returned Products, shipment of the Products shall be F.O.B. Air-Way's facility. Buyer shall be responsible for all delivery costs and shall bear the risk of any loss or damage in transit. Delivery dates, if specified by Air-Way, are estimates only and are not guaranteed and are not binding on Air-Way.

8. **Confidentiality And Non-Disclosure.** Buyer recognizes that Air-Way is the owner of certain confidential and proprietary information relating to the development and application of the Products, which includes specifications, technological know-how and other types of information or data, including certain patents related thereto (the "Technical Information"). Buyer shall not, directly or indirectly, use, disclose, disseminate, or otherwise publish to any third-party any of the Technical Information. Buyer shall protect from disclosure Air-Way's Technical Information to the same extent which Buyer seeks to protect its own Technical Information from disclosure (but in no event will Buyer exercise less than reasonable measures). The confidentiality obligations herein shall not apply to any Technical Information which (a) at the time of disclosure is in the public domain, (b) after disclosure becomes part of the public domain other than through a breach of a non-disclosure obligation, or (c) was received from a third-party who acquired such information through lawful means and without any breach of a non-disclosure obligation. Tooling and gages, if any, for which Buyer is invoiced, shall remain property of Air-Way unless otherwise indicated and shall be maintained by Air-Way only as long as reasonable usage warrants, as determined by Air-Way.
9. **Patents.** Air-Way shall indemnify and save Buyer harmless from any judgments for damages and their costs which may be rendered against Buyer in any suit brought against Buyer on account of the infringement of any United States patent by any Products supplied by Air-Way hereunder, provided that Buyer promptly notifies Air-Way of the commencement of any such suit and authorizes Air-Way to settle or defend such suit as Air-Way may see fit, and provided further that Buyer renders every reasonable assistance which Air-Way may require in defending any such suit. This indemnity shall not apply if Buyer has designed or furnished the specifications for the Products, or if Buyer has altered or modified in any way such Products. In that event, Buyer shall indemnify and hold Air-Way harmless from any claim of patent infringement.
10. **Taxes.** Buyer shall be responsible for all taxes, duties, assessments and other governmental charges related to the sale and shipment of the Products; provided, however, Air-Way shall be responsible for U.S. income taxes related to amounts received by Air-Way in connection with its sale of the Products to Buyer.
11. **Termination.** The Purchase Order and these Terms and Conditions may be terminated in any of the following ways:
- A. By mutual agreement of Air-Way and Buyer;
- B. By Air-Way, on thirty (30) days prior written notice, in the event that: (i) Buyer breaches or otherwise fails to comply with any provision contained herein, and such breach is not cured within that time period; (ii) Air-Way reasonably believes that Buyer's financial condition places it in a position of being unlikely to be able to meet its contractual obligations; (iii) Buyer defaults under any other material contract to which it is a party; or (iv) Buyer sells all or substantially all of its assets, a majority of its voting stock or merges with another entity.
- C. By Buyer, upon thirty (30) days prior written notice, in the event that: (i) Air-Way breaches or otherwise fails to comply with any provision contained herein, and such breach is not cured within that time period; (ii) Buyer reasonably believes that Air-Way's financial condition places it in a position of being unlikely to be able to meet its contractual obligations; (iii) Air-Way defaults under any other material contract to which it is a party; or (iv) Air-Way sells all or substantially all of its assets, a majority of its voting stock or merges with another entity, unless Air-Way is the surviving corporation in any such merger.
12. **Cancellation.** All orders that have been accepted by Air-Way are considered final and binding and may not be cancelled, altered or terminated by Buyer except upon terms and conditions acceptable to Air-Way, in its sole discretion, or as permitted by Paragraph 11C of these Terms and Conditions. Notwithstanding the foregoing, purchase orders for "stock" Products only, may be cancelled by Buyer upon written notice to Air-Way given at least five (5) days prior to the scheduled shipment date of such Products and upon payment by Buyer to Air-Way of a cancellation/restocking fee in the amount of 25% of the purchase order amount. In no event may Buyer cancel any special or custom order. Any deposit or advance payment made by Buyer in connection with a cancelled purchase order may be applied by Air-Way to such cancellation/restocking fee. In the event of a cancellation in accordance with this paragraph 12, Buyer shall include the purchase order number and purchase order date in its cancellation notice. All Products that are the subject of a cancelled purchase order shall remain the sole and exclusive property of Air-Way.
13. **Late or Non-Payment.** Payments not made within the time period required herein shall bear interest at the rate of one (1%) percent per month on the unpaid amount. In the event that Air-Way finds it necessary to take action to collect any unpaid amounts, Buyer shall be responsible for all costs and attorney fees incurred by Air-Way in connection therewith.
14. **Limitation Of Damages.** AIR-WAY SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES DIRECTLY OR INDIRECTLY ARISING FROM THE SALE, INSPECTION, HANDLING OR USE OF THE PRODUCTS BY AIR-WAY OR FROM ANY OTHER CAUSE RELATING THERETO, AND AIR-WAY'S LIABILITY HEREUNDER, IN ANY CASE, IS EXPRESSLY LIMITED TO REPAIRING OR PROVIDING REPLACEMENT PRODUCTS FOR THOSE PRODUCTS AND/OR SERVICES NOT COMPLYING WITH THE TERMS HEREOF OR, AT AIR-WAY'S ELECTION, TO THE REPAYMENT OR CREDITING OF BUYER WITH AN AMOUNT EQUAL TO THE PURCHASE PRICE PAID BY BUYER FOR THE NON-COMPLYING PRODUCTS. IF BUYER BRINGS ANY ACTION AT LAW OR EQUITY IN CONNECTION WITH THE PURCHASE ORDER OR THESE TERMS AND CONDITIONS, NO CAUSE OF ACTION BY BUYER SHALL INCLUDE A CLAIM, NOR MAY RECOVERY BE HAD AGAINST AIR-WAY, FOR ANY PUNITIVE, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO, DAMAGES TO

PROPERTY OR PERSONS (INCLUDING DEATH), FOR LOSS OF USE, LOSS OF TIME, LOSS OF PROFITS OR INCOME, OR OTHERWISE. AIR-WAY'S LIABILITY SHALL BE SPECIFICALLY LIMITED AS PROVIDED HEREIN.

15. **Labeling.** If Buyer purchases from Air-Way Products for resale by Buyer and to which Buyer, directly or indirectly, is to apply its own label (or its content), Buyer shall ensure that the label contains the content and form as specified by Air-Way in writing, and as may be supplemented or amended by Air-Way from time to time. In the event Buyer shall fail to comply with this paragraph, or any other provision of the Purchase Order or these Terms and Conditions, or shall otherwise fail to comply with any labeling requirements existing as a matter of law, Buyer shall defend, indemnify and hold Air-Way harmless from all costs, expenses, liability, damages, fines, penalties, judgments or losses arising with respect thereto.
16. **Trademark Usage.** Air-Way's guidelines on trademark and logo usage must be followed in order to maintain brand integrity. Requiring consistent use of the trademarks and logos in all graphic (print, electronic, etc.) applications will help to maintain the prestige of the brand and will assist in maintaining and growing customer and brand awareness. Subject to this Paragraph, Buyer may use the trademarks, tradenames, logos and designations used by Air-Way for its Products solely in connection with Buyer's advertisement, promotion and sale of the Products, and in accordance with Air-Way's then-current trademark usage policies. Buyer shall not remove or destroy or alter any copyright notices, trademarks or other proprietary markings on the Products, documentation or other materials related to the Products. Such usage by Buyer shall terminate immediately upon termination of its business relationship with Air-Way, or upon written request from Air-Way to cease such use. Any marketing materials released by Buyer, including catalogs, advertisements, flyers and Websites, must comply with the foregoing. Note that any Product described in Air-Way's materials, including on its Website, may be the subject of other intellectual property rights reserved by Air-Way and are not licensed hereunder. Air-Way, and other brand names listed on Air-Way's Website are the worldwide trademarks or registered trademarks of Air-Way. Trademarks of other parties are identified wherever possible and Air-Way acknowledges their rights.
17. **Force Majeure.** Except for payment obligations of Buyer hereunder, neither party shall be liable under the purchase agreement for delays in performance or failure to perform its obligations caused by circumstances beyond its control, including but not limited to, acts of God, wars, riots, strikes, floods, labor disputes, accidents, and governmental restrictions.
18. **No Right to Copy.** The Products are sold by Air-Way subject, in every case, to the condition that such sale does not convey any license, or other right in the Buyer to manufacture, duplicate, or otherwise copy or reproduce the Products through any means whatsoever, including but not

limited to 3D printing. Buyer agrees to take appropriate steps to assure compliance with the restrictions contained in this paragraph. Any violation of this section shall be deemed a material breach by Buyer.

19. **Miscellaneous.** The following miscellaneous Terms and Conditions shall apply:
- A. If signature is requested by Air-Way, these Terms and Conditions may be executed in counterparts (including counterpart facsimiles) and each counterpart shall be deemed to be an original instrument, but all counterparts shall together constitute one agreement.
 - B. In case any one or more of the provisions contained in these Terms and Conditions shall for any reason be held to be invalid, illegal or unenforceable in any respect that disability shall not affect any other provision herein and these Terms and Conditions shall be construed as if that provision had never been contained herein.
 - C. Captions to paragraphs of in these Terms and Conditions have been included solely for the sake of convenient reference, and are entirely without substantive effect.
 - D. These Terms and Conditions shall be binding upon, and its benefits shall inure to, the parties hereto and their respective heirs, representatives, successors, and assigns.
 - E. The Purchase Order and these Terms and Conditions shall be governed by and construed in accordance with the laws of the State of the Michigan with the courts sitting in either Eaton County, Michigan or the United States District Court for the Western District of Michigan having exclusive jurisdiction.
 - F. The Purchase Order and these Terms and Conditions embody the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, warranties, and statements, oral or written, are merged into these Terms and Conditions. Neither these Terms and Conditions nor any of its provisions may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which that enforcement is sought and then only to the extent set forth in that instrument.
20. **Assignment.** Buyer may not assign its rights under the Purchase Order or these Terms and Conditions without the prior written consent of Air-Way. Any assignment made without Air-Way's written consent shall be null and void.