FULTON INDUSTRIES, INC. GENERAL TERMS & CONDITIONS OF SALE

The terms and conditions ("Terms and Conditions") set forth below shall govern the sale of all products and services ("Goods") by Fulton Industries, Inc. ("Fulton") to a customer (the "Purchaser"), whether by Fulton's quotation (the "Quotation"), order acknowledgement (the "Acknowledgement"), or otherwise. Purchaser accepts the Terms and Conditions by the placement of an order or by accepting delivery of the Goods. Purchaser's acceptance of the Terms and Conditions will form the contract between the Parties (the "Contract"). NO ADDITION TO, OR OTHER MODIFICATION OF, THE TERMS AND CONDITIONS (INCLUDING ANY ATTEMPTED MODIFICATION BY PURCHASER THROUGH PURCHASER'S PURCHASE ORDER OR OTHER DOCUMENT) SHALL BE BINDING ON FULTON UNLESS IT IS IN WRITING AND EXECUTED BY A DULY AUTHORIZED REPRESENTATIVE OF FULTON. FULTON HEREBY EXPRESSLY OBJECTS TO, REJECTS AND WILL NOT BE BOUND BY ANY TERMS AND CONDITIONS IN PURCHASER'S PURCHASE ORDER OR ANY OTHER DOCUMENT, WHICH ARE IN CONFLICT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS. Shipment by Fulton of the Goods whether after the receipt of Purchaser's purchase order or otherwise, shall not constitute an acceptance of the terms and conditions of Purchaser.

1. <u>Purchase Price/Taxes</u>. All prices indicated on the Quotation are subject to change without advance notice prior to Fulton's receipt of a firm purchase order for Goods from Purchaser. If Purchaser is buying the Goods pursuant to an open purchase order with Fulton, Purchaser understands and agrees that the price of the Goods is subject to change based on fluctuations in published raw material prices and will be effective thirty (30) days after the effective date of the raw material price changes. Unless otherwise stated in the Quotation, all purchase prices are exclusive of any applicable excise, sales, use or other taxes or import, export or customs fees or duties which may be imposed on the sale or delivery of the Goods. All such taxes and charges, when applicable, will be charged to and are payable by Purchaser. Fulton may charge interest on late payments at an annual rate of 1.5% or the highest rate allowed by law (whichever is less).

2. <u>Purchase Order</u>. Purchaser's purchase order must specify the quantities requested, otherwise, quantities specified by Fulton in its Quotation, or if none in the Acknowledgement shall govern. All sales on an open purchase order must be completed within one (1) year from the date of the purchase order unless otherwise specified on the Acknowledgement. All open purchase orders must provide Fulton with forecasts of estimated quantities of the Goods and an estimated date of delivery. Once received by Fulton, a Purchaser's purchase order and/or release may not be modified, cancelled or otherwise altered without Fulton's written consent. Any such modification, cancellation or alteration may be subject to cancellation charges or otherwise to condition as negotiated at such time, which shall protect Fulton against any damages or losses resulting therefrom.

3. <u>Title and Risk of Loss</u>. Unless otherwise indicated on the Quotation, all deliveries are F.O.B. Fulton's Wauseon, Ohio facility. If shipped freight prepaid, the charge for freight will be added to the invoice. Neither freight charges nor tax is subject to any discount. Risk of loss shall pass upon delivery and any loss or damage in transit shall be borne by Purchaser, and claims shall be made directly with carrier. Notwithstanding the foregoing however, title to the Goods will not pass to Purchaser until all required payments have been made to Fulton. Until the purchase price and all other applicable costs and expenses are paid in full, Fulton reserves a purchase money security interest in the Goods and the proceeds therefrom, and Fulton thereby possesses the rights of a secured party under the Uniform Commercial Code as adopted in the State of Ohio. Upon Fulton's request, Purchaser agrees to execute all necessary financing statements and other documents evidencing this security interest with the appropriate state and local authorities. Fulton is entitled to reasonable access to Purchaser's place of business as necessary to exercise its remedies as a secured party.

4. <u>Delivery</u>. All delivery times are calculated from the date of the Fulton's receipt of a firm purchase order or release from Purchaser on an open purchase order. Failure of Purchaser to take delivery on time may subject Purchaser to reasonable storage fees and/or other damages of Fulton arising from Purchaser's failure to take delivery of the Goods at the agreed shipping date. Notwithstanding the foregoing, Fulton reserves the right to ship without further notification at any time after the agreed shipping date. If the purchase is made pursuant to an open purchase order, Purchaser must specify the quantity requested, provided however, that the quantity is not binding on Fulton unless it is expressly accepted by Fulton in the Acknowledgement.

5. <u>Delivery Schedules</u>. Fulton does not guarantee specific dates of delivery and shall not be liable to Purchaser for delays in delivery for any reason. Fulton shall endeavor to meet the delivery schedule requested by Purchaser provided, however, that Purchaser shall give Fulton reasonable notice of the Goods' quantities and shipping instructions. Fulton will not be obligated to ship the Goods if reasonable notice of quantities and instructions are not given; if the quantity of the Goods is unreasonably disproportionate to the scheduled quantities; if the quantity exceeds estimates provided by Purchaser to which Fulton has agreed in writing; or, in Fulton's sole judgment, the quantity is disproportionate to the total quantity stated in the Contract or is more than ten percent (10%) of the estimated or forecasted quantities. The reasonableness of notice shall be determined by Fulton based on availability of the Goods and delivery capability and Fulton's other commitments. All shipping dates (including firm shipping dates) may change as a result of circumstances over which Fulton has no control.

6. <u>Inspection/Returns</u>. Purchaser shall have seven (7) days from the date of the delivery of the Goods to notify Fulton of any defects. Purchaser must state in writing with particularity the defect and reason for rejection to justify rejection or to establish a breach. Fulton may require from Purchaser a full and final written statement of all defects on which Purchaser proposes to rely. Fulton is not obligated to accepted return of non-defective Goods and no credit will be given to Purchaser therefor unless Fulton has otherwise agreed in writing.

7. <u>Default and Purchaser's Impairment</u>. Fulton may delay shipment, reduce quantities shipped, or terminate the Contract if (i) Purchaser fails to make any payment promptly when due or otherwise fails to comply with the Contract, (ii) Purchaser ceases to conduct its

operations in a normal course of business, (iii) Purchaser is or becomes unable to pay its obligations as they mature, (iv) any proceeding under the Bankruptcy Code or any other insolvency laws is brought by or against Purchaser, (v) a receiver for Purchaser is appointed or an application for a receiver is filed, (vi) Purchaser makes an assignment for the benefit of creditors, or (vii) Purchaser fails to provide adequate assurance of future performance within thirty (30) days after demand by Fulton (which will be a repudiation by Purchaser of the unperformed portion of the Contract). In the event of such termination or reduction in the quantities shipped, Purchaser shall be liable to Fulton for any and all damages sustained by Fulton as a result of the defaults which gave rise to the termination or reduction in the quantities of shipment.

8. <u>Setoff</u>. Purchaser shall not have the right to credit toward the payment of any monies that may become due Fulton hereunder any sums which may now or hereafter be owed to Purchaser by Fulton.

Warranty. Subject to standard manufacturing variations, Fulton warrants that the 9. Goods will conform in all material respects to the description and specification of the Goods set forth on the face of the Quotation or to the drawings, specifications, descriptions or samples furnished to Purchaser by Fulton or specified by Purchaser (the "Warranty"). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THESE WARRANTIES AND FULTON **EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR** IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF ANY OF THE GOODS. Fulton shall assume no liability for, and this Warranty will not apply to, any failure of the Goods to attain any performance figures quoted unless Fulton has specifically guaranteed them in writing. Purchaser assumes responsibility that Goods specified by Purchaser are sufficient and suitable for Purchaser's purposes unless Purchaser's specifications are in accordance with Fulton's written advice and Purchaser has provided Fulton full information upon which to base that advice. Purchaser agrees to properly use and maintain the Goods in reasonable manner and in accordance with all maintenance specifications. Fulton shall assume no liability for and this Warranty will not apply to, any defects that appear as a result of Purchaser's failure to properly use or maintain the Goods, or as a result of alterations which Purchaser makes to the Goods without Fulton's prior express written approval or from Purchaser's use or operation of the Goods in a manner not disclosed to Fulton at the time of Purchase's purchase. This Warranty does not extend to repairs necessitated by normal use, wear or tear nor to consumable Goods. If Fulton supplies Purchaser with Goods manufactured by others, Fulton's only obligation to Purchaser is to assign to Purchaser any warranties or rights Fulton may have received from the manufacturer of the Goods. Purchaser agrees that Fulton shall have no further obligation or liability to Purchaser with respect to any defects in such Goods supplied by others. Failure to submit a claim for a breach of Warranty within one (1) year of the delivery of the Goods shall be conclusive proof that the Goods are as warranted and shall release Fulton from any further liability with respect thereto.

10. <u>Warranty Remedies</u>. No claim for damages on account of the breach of the Warranty shall be allowed unless Fulton is first given notice after delivery of the Goods and allowed an opportunity to inspect the Goods. In the event any Goods fail to comply with the

Warranty, Purchaser may return the defective Goods to Fulton, freight prepaid at Fulton's discretion. Provided however, Goods for which damages are claimed, for non-conformance or otherwise, shall not be returned, repaired or replaced without Fulton's written consent. Purchaser's sole and exclusive remedy for the non-conformance of any Goods with the Warranty shall be, at Fulton's election, (i) Fulton repairs or corrects the non-conformance or defect, (ii) Fulton furnishes Purchaser, without charge and FOB Purchaser's facility, with a replacement for the non-conforming or defective Goods, or (iii) Fulton reimburses Purchaser for the prorated purchase price of the non-conforming Goods.

Limitation of Liability. Purchaser acknowledges that the price of the Goods is 11. predicated on the enforceability of the following limitation of liability, that the price would be substantially higher if Fulton could not limit its liability as herein provided and that Purchaser accepts this limitation of liability in exchange for a lower price: EXCEPT FOR FULTON'S DIRECT COSTS IN REPAIRING, CORRECTING OR REPLACING ANY NON-CONFORMING GOODS, FULTON SHALL NOT BE LIABLE FOR ANY OTHER EXPENSE CONNECTED WITH THE REPAIR, CORRECTION OR REPLACEMENT OF ANY GOODS. WITH RESPECT TO ANY CLAIM UNDER THE CONTRACT. IN NO EVENT SHALL FULTON BE LIABLE TO PURCHASER FOR ANY DAMAGES WHATSOEVER IN EXCESS OF THE ACTUAL PRICE PAID TO FULTON. FULTON SHALL HAVE NO LIABILITY TO PURCHASER FOR LOST PROFITS, LOSS OF PRODUCT, LOSS OF USE OF EQUIPMENT, INTERRUPTION OF BUSINESS, COST OF CAPITAL, COST OF DOWNTIME, LOST OPPORTUNITIES, FAILURE TO DETECT ANY FLAW IN THE SUBJECT MATTER OF A TEST, CLAIMS OF PURCHASER'S CUSTOMERS OR ANY SPECIAL, CONSEQUENTIAL, EXEMPLARY OR INCIDENTAL DAMAGES OF ANY KIND WHETHER ARISING IN CONTRACT. TORT, PRODUCT LIABILITY OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH LOST PROFITS, LOSS OF PRODUCT, INTERRUPTION OF BUSINESS, LOSS OF OPPORTUNITIES, OR ANY OTHER DAMAGES. This limitation of liability may not be altered except by an agreement in writing signed by a duly authorized officer of Fulton.

If Purchaser is supplying Fulton's Goods to a third party, Purchaser shall require the third party to agree to be bound by this Section. If Purchaser does not obtain this agreement for Fulton's benefit, Purchaser shall indemnify, defend and hold Fulton harmless from and against any and all claims made by the third party in excess of the limitations and exclusions of this article and shall pay all costs and expenses associated therewith, including, without limitation, attorney fees.

12. <u>Applicable Law</u>. The Contract shall be deemed to have been entered into and shall be construed according to the Uniform Commercial Code as adopted in the State of Ohio. Purchaser agrees and submits to the exclusive jurisdiction of the federal and state courts of Ohio for resolution of any disputes arising hereunder. Purchaser waives any objection based upon forum non conveniens or any objections to venue of any such action.

13. <u>Force Majeure</u>. The supply, shipment and delivery of the Goods are subject to, and Fulton shall not be liable for any delay in or impairment of performance resulting in whole or in part from, any war, act of terrorism (whether or not declared), strike, difference with workmen, accident, fire, flood, acts of God, delay in transportation, shortage of materials,

equipment breakdowns, laws regulations, orders or acts of any governmental agency or body or any cause beyond the reasonable control of Fulton, or if performance by Fulton becomes impracticable due to the occurrence of a contingency, the non-occurrence of which was a basic assumption on which the sale was made. In any such event, Fulton shall have such additional time to perform as may be reasonably necessary and shall have the right to apportion its production among its Purchasers in such manner as it deems equitable.

14. <u>Statutes of Limitation</u>. Any action against Fulton based on Fulton's alleged breach of its obligations hereunder must be commenced within one (1) year after the cause of action has accrued.

15. <u>Assignment</u>. Purchaser shall not assign any of its rights, or delegate any of its duties, under these terms and conditions without the prior written consent of Fulton, and any attempt to do so shall be void.

16. <u>Entire Agreement</u>. Once accepted by Purchaser, and unless modified by the Acknowledgement, the Terms and Conditions set forth in the Quotation and herein constitute the entire agreement between Fulton and Purchaser for sale of the Goods specified on the Quotation, superseding all other agreements between Fulton and Purchaser respecting the transaction contemplated herein, whether written or oral, including, but not limited to, any documents, correspondence, brochures, advertisements or other memoranda respecting the Goods.