

## TERMS AND CONDITIONS OF PURCHASE

Submission by Equipment & Controls, Inc. (“Buyer”) of any purchase order or other offer (“Order”) to purchase products or services (collectively, the “Products”) from Seller is expressly conditioned on Seller’s assent to the following terms and conditions (“these terms and conditions”), which assent shall be deemed to have been given by Seller’s acceptance of any such Order, including by filling such Order.

1. **OFFER AND ACCEPTANCE.** Only these terms and conditions shall govern Orders. Any terms and conditions which are included in any Order or other documentation of Seller (or which are posted on Seller’s website or included in an email transmission are communicated by Seller orally, in writing, electronically, or through any other medium) which oppose, deviate from or add to these terms and conditions shall be void and unenforceable unless Buyer has duly approved the same in writing.

2. **GENERAL.** These terms and conditions shall apply to all Orders issued to Seller for Products.

3. **DELIVERIES.** Buyer and Seller shall agree on the delivery method with respect to each other. Unless otherwise agreed in writing, all deliveries of products will be made FOB Buyer’s plant.

4. **PACKING, MARKING, AND SHIPPING.** (a) Seller will pack, mark and ship Products in accordance with all applicable packaging standards as agreed by Seller and Buyer and, as appropriate, the carrier transporting such Products to enable Buyer to secure the most economical transportation rates.

5. **WARRANTIES.** Seller warrants that the Products shall meet all specifications agreed to by the parties or published by Seller, and the products shall be of good and merchantable quality and fit for their intended purpose. Seller also warrants title to the Products, free and clear of all liens, security interests, encumbrances or restrictions. All warranties shall survive any test, inspection, delivery, acceptance, payment or use of the Products. Buyer at its option may reject and return at Seller’s risk and expense Products that fail to conform to the requirements of the Order.

6. **INVOICES, PAYMENT.** Seller and Buyer may agree on applicable payment terms and procedures. In the absence of such agreement, payment terms shall be net 60 days.

7. **APPLICABLE TAXES.** The total price specified for Products will include all elements of freight, duty and tax with the exception of value added tax (VAT), if applicable, which will be shown separately on Seller’s invoice.

8. **REMEDIES, DEFENSE AND INDEMNITY.** To the fullest extent permitted by law, Seller agrees to indemnify, hold harmless and defend Buyer and its affiliated companies, their directors, officers, employees and agents (“Indemnities”) from and against any losses, liabilities, costs, expenses, suits, actions, claims and all other obligations and proceedings, including, without limitation, all judgments rendered against, and all fines and penalties imposed upon, Indemnities and all reasonable attorney’s fees and any other cost of litigation (collectively, “Liabilities”) that are in any way related to Seller’s performance or obligations hereunder, including claims arising out of breach hereof, warranty claims, injuries to persons, including death, or damage to property caused by Seller, its employees, agents, subcontractors, or any way attributable to the performance of Seller, including, without limitation, breach of contract or breach of warranty. Seller’s obligation to defend and indemnify under this Section will apply regardless of whether the claim arises in tort, negligence, contract, warranty, strict liability or otherwise, except for claims that arise as a result of the negligence of Buyer, but in such event only to the extent of such negligence.

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9. **INFRINGEMENT AND PROPRIETARY RIGHTS.** Seller shall indemnify, defend, and hold Buyer harmless and shall pay all damages, fees, penalties and costs awarded or incurred by Buyer in any claim, suit or proceeding brought against Buyer that is based on a claim that the Products constitute an infringement of a valid US patent (an "Infringement Claim").

10. **INFORMATION AND DATA.** Unless otherwise indicated in writing by Buyer, Seller will not disclose to others and will use only for the benefit of Buyer (i) any confidential technical information and data furnished by Buyer, and (ii) confidential information relating to any portion of Buyer's business that Seller may acquire in the course of Seller's activities hereunder.

11. **INSURANCE INDEMNITY.** Before performing any services on the premises owned or controlled or used by Buyer or Buyer's customer, Seller shall provide and shall require its subcontractors to provide the following types of insurance in amounts not less than indicated below or such additional coverage or higher limits as required by the Buyer's customer(s).

Worker's Compensation Insurance in accordance with the statutory requirements of the location in which the services are performed. Employer's Liability Insurance (including a waiver of subrogation in favor of Buyer and Buyer's customer) shall have a minimum limit of \$1,000,000 each occurrence. Commercial General Liability Insurance (including coverage for Premises Operation, Underground, Undermining, Explosion and Collapse Hazard, Product Completed Operations, Broad Form Property Damage, and Blanket Contractual Liability Coverage endorsed to cover Seller's contractual liability assumed under paragraph B above) with minimum limits of \$1,000,000 per occurrence. Comprehensive Automobile Liability Insurance including coverage owned, hired and non-owned automobiles with minimum limits of \$1,000,000 each occurrence. The following is required if the services involve such exposure: Independent Contractor's Liability Coverage (if Seller uses contractors) with the same limits as (3) above. Property Insurance covering all property under the care, custody and control of Seller on a full replacement cost basis. Such coverage will not have a deductible larger than \$100,000 without Buyer's written approval.

12. **APPLICABLE LAW AND VENUE.** Each Order shall be governed by the laws of the Commonwealth of Pennsylvania without regard to conflict of laws provisions thereof. Exclusive venue for any litigation relating to or arising out of an Order shall rest with the state or federal courts of Pennsylvania. The UN Convention for the International Sale of Goods is expressly excluded.

13. **SEVERABILITY.** Should any provision of these terms and conditions be or become illegal or unenforceable, the remaining provisions shall remain in force and be binding upon the parties.

14. **ASSIGNMENT.** Seller shall not assign its rights or obligations under any Order, whether by operation of law or otherwise, without the express prior written consent of Buyer.

15. **HIRING OF EMPLOYEES.** Seller agrees that (a) from the date that Buyer's Order is accepted by Seller and for a period of twelve (12) months after said acceptance date, or (b) during the period Seller is providing services (if applicable) to Buyer and for a period of twelve (12) months after the final date of the performance of said services, Seller shall not hire any employee(s) of Buyer (whether full-time, part-time or as a contractor and notwithstanding if the starting date of the employee is deferred to a later time) and shall not entice or counsel any such employee(s) to leave Buyer's employ in any manner. Seller agrees that this covenant shall extend to Seller's agents and affiliates. In the event that an employee of Buyer is hired or leaves the employ of Buyer in such circumstances, the Seller shall pay Buyer, as compensation for the cost incurred by Buyer in recruiting and training the employee, the sum equivalent to six (6) months' salary previously paid by Buyer (or six times the previous month's salary for the month before the departure of the employee if he has worked with Buyer less than six months at the time the employee left Buyer) for each employee hired from or leaving the employment of Buyer.