

Terms and Conditions of Purchase

1. Applicability.

These terms and conditions of purchase (these "Terms") covering the purchase of, among other things, industrial parts and machinery ("Goods") by S&V Industries, Inc. ("Buyer"), from the manufacturer of such Goods ("Manufacturer"), along with any accompanying confirmation of sale ("Confirmation") are the only terms which govern the sale of Goods. The Terms and the Confirmation comprise the entire agreement between Manufacturer and Buyer and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the purchase of Goods.

THESE TERMS PREVAIL OVER ANY OF MANUFACTURER'S GENERAL TERMS AND CONDITIONS OF SALE OR ANY OTHER DOCUMENT ISSUED BY MANUFACTURER IN CONNECTION WITH BUYER'S PURCHASE ORDERS REGARDLESS OF WHEN BUYER HAS SUBMITTED ITS PURCHASE ORDER OR MANUFACTURER'S TERMS AND CONDITIONS. ACCEPTANCE OF MANUFACTURER'S GOODS DOES NOT CONSTITUTE ACCEPTANCE OF ANY OF MANUFACTURER'S TERMS AND CONDITIONS AND DOES NOT SERVE TO MODIFY OR AMEND THESE TERMS.

2. Orders.

(a) A purchase order for Goods by Buyer is not binding until Manufacturer accepts the order in writing (each accepted order, an "Order"). Buyer may withdraw the order at any time before it is accepted by Manufacturer, which it may do without liability or penalty, and without constituting a waiver of any of Buyer's rights or remedies under these Terms.

(b) Upon acceptance of an Order, Buyer shall be obligated to purchase from Manufacturer quantities of Goods specified in such Order. Notwithstanding the foregoing, Buyer is not obligated to any minimum purchase or future purchase obligations.

3. Delivery.

(a) The Goods will be delivered in the quantities and on the date(s) specified in an Order or as otherwise agreed to in writing by the parties ("Delivery Date"). Timely delivery of the Goods is of the essence. If Manufacturer fails to deliver the Goods in full on the Delivery Date, Buyer may terminate the Order immediately by providing written notice to Manufacturer and Manufacturer shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Manufacturer's failure to deliver the Goods on the Delivery Date.

(b) Unless otherwise agreed to in writing by Manufacturer and Buyer, Manufacturer will at Manufacturer's cost and expense deliver the Goods to the delivery point (each a "Buyer Warehouse"). All Goods shall be backed for shipment according to Buyer's instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in an undamaged condition. Manufacturer must provide Buyer prior written notice if it requires Buyer to return any packaging material. Any return of such packaging materials shall be made at Manufacturer's expense. Manufacturer shall be responsible for all loading costs and provide equipment and labor reasonably suited for receipt of the Goods at the Buyer Warehouse.

(c) If Manufacturer delivers more than 20% or less than 20% the quantity of Goods ordered, Buyer may reject all or any excess Goods. Any such rejected Goods shall be returned to Manufacturer at Manufacturer's risk and expense. If Buyer does not reject the Goods and instead accepts the delivery of Goods at the increased or reduced quantity, the Price for the Goods shall be adjusted on a pro-rata basis.

(d) It is Manufacturer's responsibility (to the extent applicable): (1) to ensure all site preparation, foundations, pits and government permits are in order; (2) to remove the Goods from the shipping vessels (trucks, containers, other) at Buyer's Warehouse; (3) to remove all packing materials and clean the parts; (4) to provide and install all equipment/foundation anchors according to Manufacturer instructions; (5) to handle all maintenance and operation of the parts; and (8) to provide all means that may be necessary, including but not limited to operator's and machine manuals, safety standards, and adequate training and supervision to effectively protect Buyer's employees and others from bodily harm. Manufacturer is responsible to reimburse Buyer at standard service rates for any additional time and expenses spent due to inadequate site preparation

and/or any delays regarding having the appropriate materials, personnel, installation equipment, utilities, and utility connections.

4. Shipping Terms. Delivery shall be made EXW (INCOTERMS® 2020) Buyer's Warehouse (in each instance "Buyer's Location") during Buyer's normal business hours or as otherwise instructed by Buyer. Manufacturer shall give written notice of shipment to Buyer when the Goods are delivered to a carrier for transportation. Manufacturer shall provide Buyer all shipping documents, including the commercial invoice, packing list, air waybill, bill of lading, and any other documents necessary to release the Goods to Buyer within five (5) business days after Manufacturer delivers the Goods to the transportation carrier. The Order number must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence, and any other documents pertaining to the Order.

5. Title and Risk of Loss. Title passes to Buyer upon delivery of the Goods to Buyer's Warehouse. Manufacturer bears all risk of loss or damage to the Goods until delivery of the Goods to Buyer's Warehouse.

6. Inspection and Rejection of Nonconforming Goods. The Buyer has the right to inspect the Goods on or after the Delivery Date. Buyer, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If Buyer rejects any portion of the Goods, Buyer has the right, effective upon written notice to Manufacturer, to: (a) rescind the Order in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Buyer requires replacement of the Goods, Manufacturer shall, at its expense, promptly replace the nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement Goods. If Manufacturer fails to timely deliver replacement Goods, Buyer may replace them with goods from a third party and charge Manufacturer the cost thereof and terminate this Order for cause. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Manufacturer's obligations under the Order, and Buyer shall have the right to conduct further inspections after Manufacturer has carried out its remedial actions.

7. Price. Buyer shall purchase the Goods from Manufacturer at the prices (the "Prices") set forth in the Order. If no price is included in the Order, the Price shall be the price set out in Manufacturer's published price list in force as of the date of the Order. Unless otherwise specified in the Order, the Price includes all packaging, transportation costs to Buyer's Location, insurance, customs duties, and fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. No increase in the Price is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of Buyer.

8. Payment Terms.

(a) Manufacturer shall issue an invoice to Buyer on or any time after the completion of delivery and only in accordance with the Purchase Order Terms. All payments hereunder must be in US dollars. In the event of a payment dispute, Buyer shall deliver a written statement to Manufacturer no later than fifteen (15) days prior to the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items, within the period set forth in this Section. The parties shall seek to resolve all such disputes expeditiously and in good faith. Manufacturer shall continue performing its obligations under the Order notwithstanding any such dispute.

(b) Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Manufacturer against any amount payable by Buyer to Manufacturer.

9. Indemnification. Manufacturer shall defend, indemnify and hold harmless Buyer and its subsidiaries, affiliates, successors or assigns and its respective directors, officers, shareholders and employees (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or occurring in connection with the Goods purchased from Manufacturer. Manufacturer shall not enter into any settlement without Buyer's prior written consent.

10. Warranties. Manufacturer warrants to Buyer that all Goods will: (a) be free from any defects in workmanship, material and design; (b) conform to applicable specifications, drawings, designs, samples and other requirements specified by Buyer; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Goods by Buyer. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the Goods with the foregoing warranties. If Buyer gives Manufacturer notice of noncompliance with this Section, Manufacturer shall, at its own cost and expense, promptly replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Manufacturer and the delivery of repaired or replacement Goods to Buyer.

11. Limitation of Liability. Noting in these Terms shall exclude or limit Manufacturer's liability under Sections 13, 14, and 18 hereof, or Manufacturer's liability for fraud, personal injury or death caused by its negligence or willful misconduct.

12. Compliance with Law. Manufacturer shall comply with all applicable laws, regulations and ordinances. Manufacturer shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under these Terms. Manufacturer shall comply with all export and import laws of all countries involved in the sale of Goods under this Order. Manufacturer assumes all responsibility for shipments of Goods requiring any government import clearance. Buyer may terminate this Order if any government authority imposes antidumping duties, countervailing duties or any retaliatory duties on the Goods.

13. Termination. In addition to any remedies that may be provided under these Terms, Buyer may terminate this agreement with immediate effect upon written notice to Manufacturer, if Manufacturer has not performed or complied with any of these Terms, in whole or in part. If Buyer terminates the Order for any reason, Manufacturer's sole and exclusive remedy is payment for the Goods received and accepted by Buyer prior to the termination.

14. Confidential Information. All non-public, confidential or proprietary information of Buyer, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Buyer to Manufacturer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with these Terms is confidential, solely for the use of performing these Terms and may not be disclosed or copied unless authorized in advance by Buyer in writing. Upon Buyer's request, Manufacturer shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information: (a) which Manufacturer can demonstrate, by contemporaneous documentary evidence, was already known to it prior to the date it was received; (b) which, at the time of the disclosure or later, is published or becomes otherwise available to the general public as part of the public domain through no act or failure to act on the part of Manufacturer and without breach of these Terms; or (c) which Manufacturer can demonstrate, by contemporaneous documentary evidence, came into its possession from a third party who has a bona fide right to make such information available without restriction.

15. Force Majeure. Buyer shall not be liable or responsible to Manufacturer, nor be deemed to have defaulted or breached these Terms, for any failure or delay in fulfilling or performing any of these Terms when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Buyer including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

16. Miscellaneous

(a) Assignment. Manufacturer shall not assign any of its rights or delegate any of its obligations under these Terms without the prior written consent of Buyer. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Manufacturer of any of its obligations under these Terms.

(b) Relationship of Manufacturer and Buyer. The relationship between Manufacturer and Buyer is that of independent contractors. Nothing contained in these Terms shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between Manufacturer and Buyer, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

(c) Waiver. No waiver by Buyer of any of the provisions of these Terms is effective unless explicitly set forth in writing and signed by Buyer. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from these Terms operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

(d) No Third-Party Beneficiaries. These Terms are for the sole benefit of Manufacturer and Buyer and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

(e) Governing Law. All matters arising out of or relating to these Terms is governed by and construed in accordance with the internal laws of the State of Ohio without giving effect to any choice or conflict of law provision or rule.

(f) Severability. If any term or provision of these Terms is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Terms or invalidate or render unenforceable such term or provision in any other jurisdiction.

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