

## STANDARD TERMS AND CONDITIONS OF SALE

Slick Automated System, Inc., 1825 Nussbaum Parkway,  
Mansfield, OH 44906

1. **GENERAL:** These terms and conditions apply to all quotations, orders, proposals and contracts for goods and services (the "Product(s)") from Slick Automated Systems, Inc. ("SAS"). No terms additional to or different from these terms and conditions (except other terms and conditions set forth in SAS's written specifications, quotations, proposals or order acknowledgements) will be binding on SAS, unless agreed to in writing by SAS.
2. **ACCEPTANCE:** Acceptance of this SAS proposal/agreement is expressly limited to and conditioned upon these terms and conditions (except other terms and conditions set forth in SAS's written specifications, quotations or order acknowledgements). Any terms additional to or different from these terms and conditions are expressly rejected by SAS. This proposal/agreement is based on current prices and is firm for acceptance within (30) days from date of issuance. All contracts and orders are received subject to acceptance by an SAS officer. All contracts and orders are subject to credit approval.
3. **PRICES:** The Product(s) offered in this proposal and the prices quoted herein are based on SAS's understanding of Purchaser's requirements. Any changes in SAS's understanding may necessitate revisions to the originally quoted price(s).
4. **CANCELLATION:** After acceptance, cancellation shall be at the sole discretion of SAS and SAS may, at any time, alter or suspend credit, refuse shipment, or cancel an unfilled order when, in its opinion: (a) the financial condition of Purchaser or the status of the Purchaser's account warrants it; (b) when delivery is delayed by fault of Purchaser; or (c) Purchaser is delinquent in any payment. After acceptance of cancellation by SAS, a proper claim from SAS (figured in accordance with this proposal/agreement) will be honored by Purchaser on the basis of: (1) expenses, costs, and liabilities accumulated and/or incurred at the time of receipt of written notice of cancellation at the SAS main office; and (2) a reasonable cancellation charge to cover extra cost of handling and profit.
5. **TAXES:** Unless otherwise stated in this proposal, no Federal, Local, State or similar sales, import or export duties or taxes are included in the quoted prices and it is understood that if any tax or duty is applicable at the present or in the future, Purchaser will be responsible for such charges.
6. **DELIVERY/SHIPMENT:** Unless otherwise stated in this proposal, all quoted prices are F.O.B. point of shipment and do not include transportation costs or charges. Such transportation costs and charges shall be solely the responsibility of Purchaser. Prices quoted include standard packing according to SAS's specifications. Shipping dates are estimated as accurately as conditions will permit and every effort will be made to ship according to schedule. Purchaser agrees SAS shall not be responsible for damages arising out of failure to deliver Product(s) in the time prescribed.
7. **TERMS OF PAYMENT:** Terms of payment will be as stated in this proposal. Terms of payment shall not be affected in any way should the equipment be damaged or destroyed after shipment, whether by fire, the elements, or otherwise. Overdue accounts will be assessed a late charge of 1-1/2% per month (18% per annum) on the unpaid balance. Accounts more than sixty (60) days overdue shall be assigned to outside collections and Purchaser agrees to pay all charges associated with such collection, including reasonable attorney fees.
8. **RISK OF LOSS:** The risk of loss of goods shall pass to Purchaser as soon as the Product(s) are deposited with the carrier for the shipment to Purchaser, but title to the Product(s) shall remain with SAS and shall not pass to Purchaser until the full purchase price has been paid. Purchaser agrees to assume all loss resulting from fire, theft, or casualty immediately upon delivery of the Product(s) to the carrier. Purchaser agrees to purchase and maintain insurance, at Purchaser's own expense, from insurance companies protecting both SAS and Purchaser from such loss or damage by fire, theft, or other casualty for the full amount due under this proposal/agreement covering the Product(s) herein specified, with loss, if any, being payable to both the SAS and Purchaser as the parties' respective interest may appear.
9. **LIMITATION OF LIABILITY: SAS SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES. THE REMEDIES OF PURCHASER SET FORTH IN THESE TERMS AND CONDITIONS ARE EXCLUSIVE, AND THE LIABILITY OF SAS WITH RESPECT TO ANY CONTRACT OR SALE, OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, EXPRESS OR IMPLIED, FOR MERCHANTABILITY OR FITNESS, OR OTHERWISE, SHALL NOT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, EXCEED THE PRICE OF THE PRODUCT(S) UPON WHICH SUCH LIABILITY IS BASED. FURTHER, SAS SHALL NOT BE LIABLE OR RESPONSIBLE FOR LOSSES, DETENTIONS, OR DELAYS OCCASIONED BY ACCIDENT, STRIKES OR FIRES AFFECTING SAS'S OPERATIONS, OR THE OPERATIONS OF SAS'S SUPPLIERS, OR ANY OTHER CAUSES BEYOND THE CONTROL OF SAS. THESE DISCLAIMERS AND LIMITATIONS OF LIABILITY WILL APPLY REGARDLESS OF ANY OTHER CONTRARY PROVISION OF THIS PROPOSAL/ AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, UNDER ANY WARRANTY OR OTHERWISE.**
10. **WARRANTY:** The Products sold to Purchaser will meet the specifications set forth in this proposal, and no other express or implied warranties are made by SAS, unless expressly stated in this proposal. System components supplied by SAS are covered solely by warranties originating with the original manufacturer. Such warranties, in whatever form they may exist, are automatically transferred to Purchaser at the time of shipment. Copies of any applicable warranties will be supplied upon written request from Purchaser. SAS components and workmanship include a one year warranty that the Product(s) will meet the specifications set forth in this proposal. If Purchaser notifies SAS in writing, within one year from date of sale, of any claimed defect in a Product(s), and such is found by SAS's representative after appropriate inspection, not to be in conformity with this warranty, Purchaser's exclusive remedy shall, at the sole discretion of SAS, be: (a) limited to either repair or replacement of the claimed defective Product(s); or (b) refund of the purchase price in exchange for return of the claimed defective Product(s). Modifications, alterations, retiming and/or adding of other units timed and/or driven by this Product(s), without our written approval, will void this warranty. In no event will SAS be responsible for lost profits or any other special or consequential damages as a direct result of component failures.  
**THE WARRANTY STATED HEREIN IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.**

11. Purchaser agrees to assume all liability resulting from operation of the Product(s) in a manner other than the usage outlined in this proposal or the operating manual.
12. **NO ASSIGNMENT/DELEGATION:** No right or interest in this proposal shall be assigned by Purchaser without the written permission of SAS, and no delegation of any obligation owed by Purchaser shall be made without the written permission of SAS. Any attempted assignment or delegation shall, at SAS's sole discretion, be wholly void and totally ineffective for all purposes.
13. **WIRING:** On motor driven equipment, all possible electrical and air connections are to be made in SAS's plant. Any and all field wiring and power connections are to be performed by and be the responsibility of Purchaser. SAS shall not be liable for any damage incurred by improper phasing or connecting to the wrong power source by Purchaser. Wiring of apparatus is in accordance with SAS's understanding of the provisions of the National Electric Code, a standard of the National Board of Fire Underwriters. SAS shall have no responsibility for obtaining permits and/or compliance with Local, State, or Federal regulations: (a) unless SAS is notified thereof by Purchaser prior to purchase; and (b) SAS accepts responsibility therefore in writing.
14. SAS shall not be liable for damage or injury to property, building, or personnel due to failure of Purchaser's superstructure, building, foundations, concrete flooring, or any supporting members which are not furnished or assembled by SAS.
15. **ADJUSTMENTS:** Prior to shipment, the Product(s) specified herein will be tested to the extent that is practical. Test parts are the responsibility of Purchaser. Unless otherwise stated, these test parts should be available thirty (30) days prior to shipment of the Product(s). In no event, will SAS be held responsible or liable for the theft, damage, or loss of test parts. Purchaser should anticipate field adjustments and should conduct operating tests at the time the Product(s) are installed. If assembly and installation by SAS is included in the contract, the tests and adjustments at the time of assembly and installation are included in the installation price, with test parts and electrical power to be provided by Purchaser. However, if requested by Purchaser, SAS can furnish either or both of the following services: (a) a competent assembly and installation supervisor to direct the unloading and mechanical assembly of the Product(s) and/or (b) a factory technician to supervise electrical connections, adjustment, start-up, and testing. Contact SAS for existing rates applicable to the above mentioned services.
16. Purchaser shall indemnify and hold harmless SAS from and against any and all liabilities, claims and demands in respect of damage to property, death or personal injuries (including, without limitation, workman's compensation claims, death claims, property loss or damage of any kind whatsoever) which arise out of or are in any manner connected with the installation, operation, maintenance or repair of the Product(s) by Purchaser or its agents, contractors, or employees, regardless of whether such injury, loss or damage shall be caused by, or be claimed to be caused by, accident or otherwise.
17. **DRAWINGS:** All drawings and the information therein submitted by SAS as part of this proposal or order are confidential, remain the property of SAS, may not be made public or reproduced, are loaned only for the purposes specified, and must be returned upon demand. Detailed or shop working drawings will not be furnished for any part of the Product(s) offered. Notwithstanding the foregoing, Purchaser shall indemnify, defend and hold SAS Harmless from any and all claims, actions, damages, settlements, costs expenses and attorneys' fees arising out of a claim that any Product(s) or service or any part thereof manufactured or rendered by SAS under or according to Purchaser's specifications constitutes an infringement of any patent, copyright, or trademark or infringes any other rights of any person or organization.
18. **LICENSES/PERMITS:** Purchaser is to provide, pay for, and obtain all necessary Local, City, State, and Federal, operating, building licenses and permits, as required.
19. **OSHA:** Compliance with the provisions of the Occupational Safety and Health Act, 29 USC §651 et. Seq. ("OSHA") is the sole responsibility of Purchaser and/or user of the Product(s). SAS does not warrant its Product(s) to be in compliance with OSHA or ANSI specifications.
20. **CHANGES:** SAS reserves the right to make changes to design or materials which in its judgment are for improvement of the Product(s) and/or its operation and which involve no change in the contract price. No other changes shall be made other than pursuant to written order signed by Purchaser and SAS setting forth the details of the change. All changes shall be subject to these terms and conditions.
21. **RETURN:** SAS may, in its sole discretion, allow Purchaser, under unusual circumstances, to return a Product(s) in exchange for credit. Any such return of Product(s) for credit will be permitted only after a written authorization has been obtained from SAS's executive officer and only if all transportation charges are paid in advance by Purchaser. SAS will refuse to accept the return shipment of any Product(s) unless Purchaser has complied with the foregoing conditions. Product(s) built to Purchaser's specifications cannot be returned for credit under any circumstances.
22. **INSPECTION:** Purchaser shall have the right to inspect the Product(s) upon receipt and shall have the opportunity, at that time, to determine whether the Product(s) shipped conform to the specifications of this proposal/agreement. Failure to inspect the Product(s) or failure to notify SAS in writing of nonconformance within ten (10) days of receipt of the Product(s), constitutes a waiver of Purchaser's rights of inspection and rejection for nonconformity and shall be equivalent to an irrevocable acceptance of the Product(s) by Purchaser.
23. **LIMITATION OF DAMAGES:** Notwithstanding, any other provisions under this proposal/agreement, should disagreements arise as to whether the Product(s) and/or SAS's installation meet with the requirements of this proposal/agreement, and SAS and Purchaser are unable to settle the same, then at SAS's option, SAS may remove the Product(s) from Purchaser's premises and refund Purchaser any money paid to SAS for the Product(s) and installation and, thereafter, there shall be no further liability or obligations between SAS and Purchaser under this proposal/agreement.
24. **OHIO LAW:** This proposal transaction shall be deemed to have been made and entered into in the State of Ohio. Purchaser agrees that this transaction shall be construed and enforced in accordance with the internal laws of the State of Ohio without regard to its conflicts of laws provisions that apply to the laws of other jurisdictions. All terms which are defined in the Uniform Commercial Code as adopted in the State of Ohio shall have the same meaning herein as in such Code, in addition to all rights and remedies specified herein. Any litigation between the Parties shall take place in the state or federal courts situated in Richland County, Ohio and the parties expressly submit to the jurisdiction of such courts.

#### ON SAS INSTALLED PROJECTS:

25. **SITE PREPARATION:** Purchaser is required to clear the site selected for installing the Product(s), remove or relocate

interfering equipment such as pipes, ducts, and other obstructions to make ready the work site in accordance with SAS's drawings. Purchaser is required to cut and repair any floor, wall or roof openings, perform all building alterations, keep the site free from water, debris, and other obstructions and/or hazards to preserve the safe and expeditious installation of the equipment. Unless otherwise stated, the finish floor shall be completed and the building totally enclosed prior to the start of installation.

Purchaser shall unload all material from railroad cars or trucks and cart and store the material within a reasonable distance of the site of assembly and Purchaser shall remain responsible for the safe keeping thereof unless otherwise specified herein. Purchaser is to provide safe and convenient storage, watchmen service, and/or theft prevention protection for SAS tools and equipment, and also adequate bench and working space for SAS's workmen.

26. **PIPING & WIRING:** Air piping and wiring necessary for the processes and/or lighting and power incident to the operation of the equipment specified are to be provided, paid for, and installed by Purchaser, unless specifically stated otherwise in this proposal. (Compressed air to be dry and at 80 to 100 psi unless otherwise specified).

Purchaser shall furnish, at the installing site within a reasonable distance from the work area without charge the following items which may be required for installation: a compressed air 80 lb. pressure access, electricity at 110 Volt for field drilling, 220 or 440 Volt 3 Phase 60 Hertz current for welding operations, fuel, water, heat, and light as may be needed for installation work, as well as fire protection of the equipment. SAS shall have the reasonable use of forklifts, elevators, and/or crane service, if available.

27. **DELAY:** Should installation be delayed by Purchaser, by other contractors, or because the facilities, apparatus or conditions to be provided by Purchaser are lacking, or for any other reason beyond SAS's control, Purchaser will pay SAS for any loss, damage, and additional expenses suffered or incurred by SAS as a result of such delays. In the event that such a delay involves a delay in shipment of the Product(s), or after the shipment, in the installation thereof, the entire purchase price (less the amount SAS has estimated for the installation, or any uncompleted part thereof, and/or less the price of any other uncompleted work) together with the extra cost of storing and handling the equipment during the period of delay shall be due and payable thirty (30) days after shipment, or if not shipped, thirty (30) days from the date the equipment is ready for shipment.

28. **LABOR:** Assembly and installation labor is based upon the prevailing schedule of straight-time hours. No Shift, Saturday, Sunday, or Holiday work is included unless specifically stated otherwise in this proposal. If Purchaser requests changes in working time, or if it becomes necessary to work overtime to meet Purchaser directed completion dates, premium rates for overtime pay are to be paid by Purchaser as an extra expense. SAS reserves the right to assemble or install the Product(s) with outside labor.

29. **FORCE MAJEURE:** SAS shall not be liable for delays, damage or loss due to storage of materials, strikes, lockouts, difference with employees, accidents, fires, explosions, delays in manufacture, tardy approval of drawings by Purchaser, transportation, or delivery of materials, acts of God, embargoes, inability to ship, inability to insure, war risk, Governmental action, or insurrection, inability to obtain competent labor, or any other causes beyond SAS's control, whether the same as or different from the matters and things herein before specifically enumerated.

30. **NOTICE OF DEFECT:** Purchaser must notify SAS in writing, within ten (10) days of completion of the installation, of any defects in the installation. If SAS does not receive such notice of defect within ten (10) days, the Product(s) and installation will be conclusively deemed accepted by Purchaser. If the Product(s) and installation meet with the requirements of this proposal/agreement, the Product(s) shall be accepted immediately. The Product(s) shall not be put into production until they are formally turned over from SAS to Purchaser for such purpose, otherwise, SAS will not be responsible for any repairs or adjustments.

31. **INSURANCE:** SAS or SAS's installer shall carry Workman's Compensation on all employees and, if required, shall furnish evidence of such coverage to Purchaser. Purchaser shall insure SAS's materials on his premises against loss by fire, water, or other causes with losses payable to SAS and Purchaser as their interests may appear.