

**THG CORPORATION  
STANDARD TERMS OF SALE**

1. **Terms and Conditions of Sale:** By accepting or using any product or service specified in any quote from or order to THG Corporation or its affiliated companies (collectively, the "Seller"), Buyer agrees to the terms contained herein. The accompanying quote or order shall be subject only to the terms and conditions set forth herein, notwithstanding any terms and conditions that may be contained in any order, purchase order, acknowledgment or other form of Buyer, whether previously provided or provided in the future. Such terms and conditions of Buyer shall not bind Seller unless accepted by Seller in writing, whether or not they materially alter these terms of sale.
2. **Terms of Payment:** Payment terms for each order shall be shown on face of Seller's invoice unless otherwise agreed to by Seller in writing.
3. **Shipments, Security Interest:** All shipments are "free on board" (F.O.B) Seller's plant (or in the case of drop-shipped products, F.O.B. supplier's plant) unless otherwise specifically agreed upon in writing in advance of shipment. Orders must specify a "ship to" address and are subject to acceptance by Seller. Seller maintains a security interest in all products until receipt of payment.
4. **Taxes:** All prices are exclusive of, and Buyer shall pay, all taxes (including, without limitation, all excise taxes), duties, levies, fees and other similar charges imposed on Buyer or Seller by any taxing authority (other than taxes imposed on Seller's income). If any such amounts are not collected at the time of payment, Buyer shall remain liable and shall indemnify Seller against, and reimburse Seller for, any such amounts paid by Seller.
5. **Errors in Price:** Prices stated shall be subject to correction for clerical and stenographic errors.
6. **Cancellations and Reschedules:** Orders are not subject to cancellation or reschedule except with Seller's written consent and only upon terms which will indemnify Seller's for any and all loss or damage, and are also subject to cancellation charges and price increases.
7. **Claims:** Any claim for shortages, imperfections, rejections, etc., must be made in writing, within ten days from date of receipt of material. Any claim not made in compliance with this section will not be allowed. Such claims shall specify applicable Invoice number and date. No products may be returned without Seller's written permission.
8. **Warranty:** With respect to any product manufactured by Seller, Seller warrants only that any such product will be free from defects in material and workmanship under conditions of normal use for a period of one year from the date of sale. With respect to services and maintenance provided by Seller, Seller warrants only that any such services and maintenance will be performed using generally recognized commercial practices and standards. With respect to products sold by Seller but manufactured by others, such products are sold "as-is" without any warranty of any kind, provided, however, that Seller agrees to assign to Buyer, to the extent possible, whatever warranty the manufacturer has given the Seller. EXCEPT AS EXPRESSLY PROVIDED HEREIN, SELLER MAKES NO OTHER WARRANTY OR GUARANTY OF ANY KIND, EXPRESS, IMPLIED OR INFERRED FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING, TO THE EXTENT ALLOWED BY LAW, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Seller's obligation hereunder shall be limited to correcting any nonconformity in material or workmanship by suitable repair or, at the sole and exclusive option of Seller, by replacement of any nonconforming part or return of payment to Buyer. Seller shall have no obligation to repair or replace any part unless written notice of claim is received by Seller within the warranty period referred to above and the products are returned at Buyer's expense to Seller's Northboro facility, or other location selected by Seller. Seller shall not be liable for any repairs, replacements, or adjustments made or any costs of labor performed, by or at the direction of the Buyer without Seller's prior written approval.

The remedies of the Buyer set forth herein are exclusive, and the total liability of Seller with respect to this contract and services furnished hereunder, in connection with the performance or breach thereof, or from the manufacture, sale, delivery, installation, repair or technical direction covered by or furnished under this contract, whether based on contract, warranty, negligence, indemnity, strict liability or otherwise, shall not exceed, as applicable, the purchase price of the product or the amount paid for services during the period of a material breach up to a maximum of twelve months, upon which such liability is based.
9. **Consequential Damages:** Seller shall in no event be liable to the Buyer, any successors in interest or any beneficiary or assignee of this contract for any consequential, incidental, indirect or special damages or back charges arising out of this contract or any breach thereof, or any defect in, or failure of, or malfunction of any goods, whether based upon lost goodwill, lost profits or revenue, interest, work stoppage, impairment of other goods, loss by reason of shutdown or non-operation, increased expenses of operation, loss of use of power system, cost of purchase of replacement power or claims of customers for service interruption. To the extent allowed by law, these limitations will apply regardless of the basis of liability, including negligence, misrepresentation, breach of any kind, or any other claims in contract, tort or otherwise.
10. **Tools:** In accordance with the customs of the trade, Seller reserves the right to keep all tools manufactured by it unless paid for by the Buyer and agreed upon in writing.
11. **Changes in Order:** Changes, arrangement, or understandings not written into our original quotation or acknowledgment shall not be binding unless separately approved by Seller in writing. If Buyer requests changes and specifications or designs relating to any products, delivery schedules shall be revised if necessary and an equitable adjustment shall be made in price.
12. **Shipping, Routing:** Seller will deliver products by arranging shipping to the receiving area at the "ship to" address specified in Buyer's order. Transportation and handling charges are payable by Buyer and will be specified in an invoice. Special packing or shipping arrangements will be charged separately to Buyer. Routing may be changed due to weight or size limitations and where experience indicates that the best interest of the Buyers served in having the shipment arrive in good condition.

13. **Payments:** If, in the judgment of Seller, the financial condition, previous payment record or relationship with Seller of Buyer at any time does not justify continuance of production or shipment on the terms of payment specified, Seller may require full or partial payment in advance.
14. **Labor Standards:** Seller hereby certifies that these products will be produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act as amended and of regulations and orders of the United States Department of Labor issued under Section 14, thereof.
15. **Services:** Services at Buyer's request in applying this equipment to Buyer's needs will be charged at Seller's standard rates. Seller may discontinue providing such services if Buyer fails to pay any sum due on a timely basis.
16. **Buyer's Property:** Buyer's property retained in Seller's plant is for the Buyer's account and at the Buyer's risk.
17. **Changes in Price:** All quotations are subject to change without prior notice. All orders are subject to acceptance by the appropriate officer of Seller. Unless otherwise stated, all orders accepted will be accepted with the understanding that all prices are subject to change without prior notice and together with any taxes applying hereto shall be those in effect on the date of shipment except as herein otherwise provided as to products of special manufacture. In the event of a price increase, any unshipped portion of the order may be cancelled at Buyer's option except that, as to any products to be produced to Buyer's special design, construction or brand there shall be no such right of cancellation.
18. **Force Majeure:** Seller shall not be liable in damages or otherwise for any delay or failure in performance when caused by war, fire, flood, accidents, labor troubles, Government order, regulation or restriction, interruptions of transportation facilities or shortages of fuel or raw materials or any other cause beyond its reasonable control. In the event Seller is unable, due to any such cause or otherwise, to fulfill its total commitments to all customers, Buyer agrees to accept, as full and complete performance by Seller, deliveries in accordance with such allocation as made by Seller.
19. **Costs of Collection:** Buyer agrees to pay all costs and expenses, including attorneys fees, incurred in the collection of any amounts due Seller hereunder.
20. **Nuclear Indemnity:** If any products are to be used in any nuclear installation or activity, then Buyer or the ultimate user (i) shall secure and maintain the maximum nuclear property damage liability insurance protection available, (ii) shall enter into and maintain a government indemnity agreement, and (iii) shall waive and require its insurers to waive all rights of recovery or subrogation against Seller for, and shall indemnify and hold Seller harmless from and against any claims, losses or damages (including consequential or special damages of any kind) arising out of a nuclear incident as that term is defined in the Atomic Energy Act of 1954, as amended.
21. **Export Controls.** Buyer acknowledges that all products and services provided in connection with any accompanying quote or order shall at all times be subject to the export control laws and regulations of the United States, including, without limitation all Department of Commerce Export Administration Regulations (15 CFR Parts 730-74) and the Department of State International Traffic in Arms Regulations (22 CFR Parts 120-130). Buyer represents and warrants to Seller that that all of the products and services supplied by Seller will be used exclusively by Buyer, that Buyer will not distribute, export or re-export any such products or services to any other end user, and that, except as previously disclosed in writing to Seller, Buyer is not a foreign person, as such term is defined in Sec. 22 CFR Part 120.11. Buyer agrees to provide Seller with any information required for Buyer to comply with all United States export laws and, to the full extent permitted by law, indemnifies Seller against any liabilities relating to any United States export laws that Seller may incur resulting from any act or omission of Buyer or from the breach of any representation or warranty contained in this section.
22. **Entire Agreement; Governing Law; Acceptance and Authority.** The terms contained herein and represent the entire agreement between Buyer and Seller regarding the subject matter hereof and supersede and replace any previous communications and agreements, whether oral or written. In the event any provision contained herein is held invalid or unenforceable, all remaining provisions will remain enforceable and unaffected thereby. These terms and conditions any dispute arising from the products of services provided by Seller shall be governed in all respects by the laws of the Commonwealth of Massachusetts. Buyer hereby accepts the Massachusetts courts as the exclusive jurisdiction to resolve any disputes arising hereunder, provided that any dispute relating to the collection of amounts due under any purchase order may be resolved by binding arbitration before a single arbitrator under the rules of the American Arbitration Association and the decision of such arbitrator may be enforced in any court of competent jurisdiction. Buyer shall be deemed to accept these terms by placing an order with the Seller. If Buyer is accepting these terms on behalf of another person or a company or other legal entity, Buyer represents and warrants that it has full authority to bind that person, company or entity to these terms.
23. **Additional Conditions Applicable to Orders Placed Under Government Contracts or Subcontracts Thereunder:** If Buyer notifies Seller that products ordered hereunder are for use under a prime contract with an agency of the United States Government, the following terms and conditions of the Armed Services Procurement Regulations shall be incorporated into Seller's terms of sale insofar as Buyer may be required to incorporate such provision in its subcontracts or insofar as applicable to the products sold hereunder.

WALSH-HEALY PUBLIC CONTRACTS ACT (12-605); RENEGOTIATION (7-103.13); BUY AMERICAN ACT (6-104.5); EXAMINATION OF RECORDS (7-104.15); AUDIT AND RECORDS (7-104.41); PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (7-104.29); CONVICT LABOR (12-203); NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (7-104.4); WORK HOURS ACT (12-303.1); EXCESS PROFITS (7-104.11); MILITARY SECURITY REQUIREMENT (7-104.12); TERMINATION (8-706); EQUAL OPPORTUNITY EMPLOYER (12-802).