

The Philpott Rubber Company
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STANDARD TERMS AND CONDITIONS

The provisions hereof, together with the provisions on the face hereof with regard to description, quantity and price of goods ordered and delivery terms, shall constitute the entire contract between Purchaser and Seller. Unless Purchaser shall notify Seller in writing to the contrary by return mail, within ten (10) days after receipt of Seller's acknowledgment by Purchaser, acceptance of terms and conditions hereby by Purchaser shall be indicated and in the absence of such notification, the sale and shipment by Seller of the goods covered shall be conclusively deemed to be subject to the terms and conditions hereof. ANY ATTEMPTED ACKNOWLEDGMENT OF THIS OFFER OF SALE BY A PURCHASE ORDER OR OTHER DOCUMENT CONTAINING TERMS AND CONDITIONS INCONSISTENT WITH OR IN ADDITION TO THE CONDITIONS CONTAINED HEREIN IS NOT BINDING UPON SELLER AND SELLER HEREBY EXPRESSLY OBJECTS TO AND REJECTS THE SAME.

PRICE. All prices for goods to be delivered more than thirty (30) days from the date of the acknowledgment on the face hereof, shall be subject to change upon cost changes incurred by Seller. Prices quoted are based upon production quantity; if order quantity, release quantity, or release schedules change, the piece price is subject to adjustment by Seller. All costs specified as borne by Purchaser shall be in addition to the quoted price. Payment shall become due as shipments are made. Whether or not such shipments are of the entire quantity ordered. If shipments are delayed by the Purchaser payment shall become due from the date when Seller is prepared to make shipment. Material held for the Purchaser shall be at the risk and expense of Purchaser.

SHIPMENTS, PLACE OF DELIVERY, AND RETENTION OF TITLE: The goods and materials covered by this order are sold F.O.B. shipping point (unless otherwise indicated), and Seller's placement of such goods in the possession of a trucking company or other common carrier at the shipping point specified on the face hereof, shall constitute delivery to the Purchaser and all risks of loss or damage in transit shall be borne by the Purchaser; provided, however, all goods delivered shall remain the property of Seller until such time as all claims, including any balances which Seller may have against Purchaser for any reason whatsoever, have been satisfied. Should the retention of title be void under the laws in force at the place where the goods are located, any collateral security which corresponds to such retention of title under the laws in force at such place shall be deemed to have been agreed upon between Seller and Purchaser. If any action on the part of Purchaser is required to effect such collateral security, he shall be obligated to take all measures to effect and preserve the same. Excess packing, shipping, and transportation charges resulting from compliance with Purchaser's request with respect to the use of any agency or method of transportation or any routing other than that which would otherwise have been designated by Seller shall be paid by the Purchaser.

DEFAULT OR DELAYS: Processing and shipment of orders are subject to strikes, fires, floods, accidents, riots or other factors beyond Seller's control. Seller shall not be liable for any loss or delay, resulting from these factors beyond Seller's control.

PURCHASER'S DUTY TO INSPECT AND NOTIFY SELLER OF DEFECTS: Upon receipt of goods. Purchaser shall fully inspect them. Purchaser shall give written notice to Seller of any claim that the goods are defective in any manner, where such defect is ascertainable upon adequate inspection within ten (10) days after Purchaser's receipt of the goods. In said written notice, Purchaser shall specify the basis for all claims against Seller. The costs and expense of such inspection shall be borne and exclusively by Purchaser. Should Purchaser fail either to inspect the goods or to send Seller written notice of all claims within ten (10) days after receipt, Purchaser shall be conclusively deemed to have forever waived all claims against Seller based upon arising out of, or related to any defect that was ascertainable upon adequate inspection of the goods.

WARRANTY AND LIMITATION OF LIABILITY: Seller warrants that goods manufactured by it have been manufactured in accordance with its standard manufacturing practices and conform to the description on the face hereof. Unless expressly agreed upon by Seller and Purchaser, all goods and materials shall be furnished subject to Seller's standard tolerances and variations. If the products manufactured by seller, as sold hereunder, fail to function properly under normal and proper use because of defects in material or workmanship and written notice thereof is given to seller no later than six (6) months after date of receipt of such goods by Purchaser, Seller (reserving the right either to inspect such defective products in Purchaser's hand or request the return to Seller) will, at its sole option, credit, repair, or replace products determined by Seller to be defective, provided that the product shall not have been altered or repaired after shipment to Purchaser by anyone except Seller's authorized agents or employees. THE FOREGOING SHALL CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER AND THE SOLE AND EXCLUSIVE LIABILITY OF SELLER FOR DEFECTIVE PRODUCT. WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING, NEGLIGENCE), STRICT LIABILITY OR OTHERWISE. Any claim no made within this period shall be conclusively deemed waived by Purchaser; provided, however, notwithstanding the notice requirement contained in the preceding sentence. Purchaser shall be conclusively deemed to have waived any claim based upon, arising out of, or related to any defect that was ascertainable upon inspection of the goods by Purchaser, if Purchaser failed to inspect the goods or to send Seller written notice of all such claims within ten (10) days after receipt of goods as set forth in the preceding subsection. No goods are to be returned to Seller without written authorization, Seller shall not be liable for any expense incurred by Purchaser in order to remedy any defect in its goods. Products manufactured by others but furnished by Seller are limited to the original manufacturer's warranty. Title to all products that have been replaced shall thereafter vest in Seller, where Purchaser had previously acquired title pursuant to the provisions hereof. To the extent that part furnished hereunder are to Purchaser's specifications and then used or combined by Purchaser with other apparatus or things not furnished herein, the Purchaser agrees to indemnify and save harmless the Seller from all claims resulting from the use or incorporation of said parts in the Purchaser's product.

"IT IS EXPRESSLY AGREED THAT THIS WARRANTY IS IN LIEU OF ANY AND ALL OTHER WARRANTIES AND LIABILITIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PURPOSE AND ANY LIABILITY FOR CONSEQUENTIAL DAMAGES ARISING OUT OF THE USE OF THE PRODUCT SOLD HEREUNDER. THE FORGOING STATES SELLER'S ENTIRE AND EXCLUSIVE SOLE REMEDY FOR ANY CLAIM OF DAMAGES IN CONNECTION WITH THE SALE OF THE PRODUCTS HEREUNDER WHETHER SUCH CLAIM IS BASED ON WARRANTY, CONTRACT, TORT (INCLUDING, NEGLIGENCE), STRICT LIABILITY OR OTHERWISE SELLER WILL IN NO EVENT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR CONTINGENT DAMAGE OR EXPENSE ARISING DIRECTLY OR INDIRECTLY FROM ANY DEFECT IN ITS GOODS OR FROM THE USE OF ANY DEFECTIVE GOODS, NOR IS ANY OTHER PERSON AUTHORIZED TO ASSUME FOR SELLER ANY SUCH LIABILITY. SELLER'S LIABILITY FOR LOSSES OR DAMAGES ARISING OUT OF THE SUPPLYING OR USE OF ITS PRODUCT SHALL IN NO EVENT EXCEED THE PRICE CHARGED FOR THE PRODUCT. THIS WARRANTY SHALL EXTEND ONLY TO THE FIRST PURCHASER OF SUCH GOODS FROM SELLER AND SHALL NOT BE ASSIGNED OR TRANSFERRED.

UNDER NO CIRCUMSTANCES SHALL THIS WARRANTY EXTEND TO A 'CONSUMER' AS DEFINED IN SECTION 2301 OF THE MAGNUSON-MOSS WARRANTY-FEDERAL TRADE COMMISSION IMPROVEMENT ACT, 15 U.S.C. SECTION 2301 ET SEQ"

DEVIATIONS IN AMOUNT MANUFACTURED: Goods manufactured by Seller to meet Purchaser's instructions, specifications, or requirements which are not included in Seller's standard line of products are subject to a plus or minus deviation of ten percent (10%) in quantity and Purchaser will accept and pay for such goods at the unit price stated on the face hereof and goods are subject to manufacturer's AOL standards.

CLAIMS: Claims for error in weight or shortage of goods must be presented within ten (10) days from the date of receipt of goods and must state the packing slip number and claim of shipment. Any claim for error in weight or shortage not presented in accordance with this provision will be conclusively deemed waived.

CORRECTIONS: Typographical or clerical errors contained in the contract, including prices, are subject to correction by Seller.

TAXES: Prices specified do not include sales, excise or other taxes arising out of or relating to this order or the goods delivered except as otherwise specifically stated on the face hereof. All such taxes are the responsibility of the Purchaser claims it is exempt from tax, it shall provide Seller with a tax exemption certificate acceptable to the taxing authorities.

GOVERNING LAW: This Contract shall be an Ohio Contract and the rights of all parties and the construction and effect of every provision hereof shall be governed by the laws of the State of Ohio.