GENERAL - These terms and conditions of sale and warranty, and the SunSource Quote or Order Acknowledgement to which they have been incorporated by reference, shall constitute the final, complete and exclusive agreement between the parties. The failure of Seller to insist, in one or more instances, upon the performance of any term hereunder shall not be construed as a waiver or relinquishment of its right to such performance in future or the performance of any other term hereunder. Any notice or communication required or permitted hereunder shall be sufficiently given if sent in writing with delivery confirmed to the address hereof in the manner set forth on the reverse side of this document.

(b) Seller’s failure to insist, in one or more instances, upon the performance of any term hereunder shall not be construed as a waiver or relinquishment of its right to such performance in future or the performance of any other term hereunder.

(c) Any notice or other communication required or permitted hereunder shall be sufficiently given if sent in writing with delivery confirmed to the address hereof in the manner set forth on the reverse side of this document. Seller’s address is 2301 Windsor Court, Addison, IL 60101. Any such notice, if so mailed, shall be deemed to have been received on the third business day following such mailing. Either party hereto may change its address by giving written notice of such change to the other party.

(d) The invalidity, in whole or in part, of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement.

INDEMNIFICATION – Seller agrees to defend, indemnify and hold harmless the Parent, its affiliated parties, and their officers, agents and employees, against all claims, losses, expenses and costs of action of every kind, made or asserted by any third party arising out of, or in connection with this Agreement or the article(s) hereunder.

(b) Seller agrees hereby to indemnify Seller for all costs incurred by Seller, including legal fees and court costs, as a result of the Parent, its affiliated parties, and their officers, agents and employees, against all claims, losses, expenses and costs of action of every kind, made or asserted by any third party arising out of, or in connection with this Agreement or the article(s) hereunder.

(c) For any payment made more than thirty (30) days past invoice date, Purchaser agrees to pay interest on the remainder of the payment due at the rate of 1.5% (18% per annum) or the maximum allowed by law if less than 1.5% (18% per annum) plus any costs of collection and any costs associated with the purchase money security interest, including filing fees, legal fees and court costs.

TITLE - Title shall pass to Purchaser upon delivery of the product to the carrier. Purchaser assumes all risk and liability for loss, damage, or destruction after such delivery.

RE-STOCKING CHARGES - A minimum 15% of invoice shall be charged for all material returned to Seller.

CANCELLATION – Notwithstanding Non-Cancellable and Non-Returnable items, in the event the Seller grants Purchaser cancellation of an order or any part thereof, cancellation charges shall be paid by Purchaser to Seller as follows:

(a) Any and all work that is complete or scheduled for completion within thirty (30) days of the date of cancellation shall be considered completed, and Purchaser shall be responsible for all costs and expenses relating to such items.

(b) For work-in-process, other than covered by Item (a) above, and any materials and supplies procured, or for which payment has been made by Purchaser, Seller shall be entitled to retain 100% of the costs of such work-in-process or materials and supplies on order. The amount due shall be reduced by $250.00 (i.e., a minimum credit of $250.00) on any material order returned.

(c) Seller shall have the right to cancel all unfilled orders if, in its sole discretion, it deems such cancellation to be in its best interest. Seller reserves the right to cancel any contract between the parties. Any varying, differing or additional terms and conditions contained in the Purchaser’s purchase order, request for quotation or elsewhere in any other document shall not be binding on STS Operating, Inc. dba SunSource (the “Seller”).

DISCLAIMER OF WARRANTIES AND LIMITATIONS OF LIABILITY – (a) Seller expressly disclaims all warranties express or implied, including any warranties of merchantability or fitness for a particular purpose.

(b) Seller hereby assigns to Purchaser any rights it may have under any warranty extended by a third party to the Seller.

(c) Seller shall not be liable under any circumstances for consequential, incidental, indirect or remote damages. Notice by Purchaser to Seller, whether relating to goods delivered or for non-delivery, shall be greater than the purchase price of the goods in respect to which such claim is made.

(d) Any “custom conversion” or adaptation hereunder is pursuant to the Purchaser’s specific request, and the Seller shall bear no responsibility resulting therefrom.

(e) Seller’s warranty shall not apply to any product or component which has been repaired, modified or altered by others. All such products shall be returned to the original manufacturer’s printed instructions. In the event Purchaser modifies the goods sold hereunder without the express written consent of Seller, Purchaser agrees to indemnify and hold Seller harmless from any and all claims, demands, actions or causes of action or costs or expenses incurred thereby.

(f) Purchaser is solely responsible for the design, selection and application of fabricated equipment, products and components purchased from Seller. Any design, specification or information prepared by or furnished by Seller are for reference purposes only, and Seller makes no warranty or representations concerning the accuracy of such materials or information. Seller has no responsibility for the design, selection and application of products, components and materials purchased by Seller.

(g) The foregoing limitations on Seller’s liability shall also be the absolute limit of Seller’s liability for negligence or defective workmanship in the manufacture of the Goods.

(h) Seller has made preliminary tests of any software included in this order, to assure that any computer programs (application, part programs and/or assembly program) and associated computer software (“Software Materials”) supplied to Purchaser are operative for the purposes intended. However, because users of Software Materials may employ them in applications outside the scope of those originally contemplated, and because of any defects in the Software Materials with which they are used, Seller shall not be responsible for any time delays or for any damage caused by deficiencies in the operation of the equipment designed in connection herewith and to all right of ownership to all related information.

(i) Purchaser agrees that it will not assert any property rights herein, except the right for itse