

UNIFLUX dba HOBGOOD ELECTRIC STANDARD TERMS AND CONDITIONS OF SERVICE

Article 1: General

1.1 This Agreement constitutes the entire, complete and exclusive agreement between the parties relating to the services ("*Services*") to be provided by UNIFLUX DBA HOBGOOD ELECTRIC and supersedes and cancels all prior proposals, agreements and understandings, written or oral, relating to the subject matter of this Agreement. UNIFLUX DBA HOBGOOD ELECTRIC objects to any term or condition that may be proposed by Customer or that may appear on or is referenced in Customer's purchase order or requisition or payment remittance that is in addition to or otherwise not consistent with these terms and conditions. No addition or modification to these terms and conditions will be binding on UNIFLUX DBA HOBGOOD ELECTRIC unless agreed in writing.

1.2 UNIFLUX DBA HOBGOOD ELECTRIC shall perform the Work as an independent contractor with exclusive control of the manner and means of performing the Work in accordance with the requirements of this Agreement. UNIFLUX DBA HOBGOOD ELECTRIC has no authority to act or make any agreements or representations on behalf of Customer. This Agreement is not intended, and shall not be construed to create, between Customer and UNIFLUX DBA HOBGOOD ELECTRIC, the relationship of principal and agent, joint ventures, co-partners or any other such relationship, the existence of which is hereby expressly denied. No employee or agent of UNIFLUX DBA HOBGOOD ELECTRIC shall be, or shall be deemed to be, an employee or agent of Customer.

1.3 Any dispute arising under this Agreement shall be governed by the laws of, and shall be resolved in the Courts of, such Courts with jurisdiction over the county in which the pertinent UNIFLUX DBA HOBGOOD ELECTRIC Branch is situated, in the county in which the services are rendered, or in any county where UNIFLUX DBA HOBGOOD ELECTRIC has a Branch in the State where the transaction arose. In the event of conflict between this agreement and Customer's purchase order or other documents prepared by Customer, or between this agreement and any oral representations or agreements between the parties, this Agreement shall control.

1.4 If, during or within 90 days after the term of this Agreement, Customer engages any UNIFLUX DBA HOBGOOD ELECTRIC employee who has performed work under this or any other agreement between Customer and UNIFLUX DBA HOBGOOD ELECTRIC, Customer shall pay UNIFLUX DBA HOBGOOD ELECTRIC an amount equal to the employee's latest annual salary.

Article 2: Covered Equipment

2.1 "*Covered equipment*" shall mean that equipment expressly identified in this Agreement. The Customer represents that at the commencement of this Agreement all Covered Equipment is in safe working condition and complies with all applicable codes.

Article 3: Services by UNIFLUX DBA HOBGOOD ELECTRIC

3.1 UNIFLUX DBA HOBGOOD ELECTRIC shall only perform the Services identified in this Agreement.

3.2 Unless agreed otherwise, Services do not include and UNIFLUX DBA HOBGOOD ELECTRIC is not responsible for service or provision of consumable supplies, reinstallation or relocation of Covered Equipment; upgrades or modifications to Covered Equipment; painting or refinishing of Covered Equipment or surrounding surfaces; failure to continually provide suitable operating environment including, but not limited to, adequate space, ventilation, electrical power and protection from the elements; UNIFLUX DBA HOBGOOD ELECTRIC is not responsible for services performed on any Covered Equipment other than by UNIFLUX DBA HOBGOOD ELECTRIC.

3.3 UNIFLUX DBA HOBGOOD ELECTRIC shall perform the Services during its local, normal working hours, unless otherwise stated in this Agreement.

3.4 All reports and drawings specifically prepared for and deliverable to Customer pursuant to this Agreement ("*Deliverables*") shall become Customer's property upon full payment to UNIFLUX DBA HOBGOOD ELECTRIC. UNIFLUX DBA HOBGOOD ELECTRIC may retain file copies of such Deliverables. All other reports, notes, calculations, data, drawings, estimates, specifications, manuals, other documents and all computer programs, codes and computerized materials prepared by or for UNIFLUX DBA HOBGOOD ELECTRIC are instruments of UNIFLUX DBA HOBGOOD ELECTRIC work ("*Instruments*") and shall remain UNIFLUX DBA HOBGOOD ELECTRIC property. UNIFLUX DBA HOBGOOD ELECTRIC conveys no license to software unless otherwise expressly provided in this Agreement. All Deliverables and Instruments provided to Customer are for Permitted Users' use only for the purposes disclosed to UNIFLUX DBA HOBGOOD ELECTRIC, and Customer shall not transfer them to others or use them or permit them to be used for any extension of the Services or any other purpose, without UNIFLUX DBA

HOBGOOD ELECTRIC express written consent. Any reuse of Deliverables or Instruments for other projects or locations without the written consent of UNIFLUX DBA HOBGOOD ELECTRIC, or use by any party other than Permitted Users, will be at Permitted Users' sole risk and without liability to UNIFLUX DBA HOBGOOD ELECTRIC; and, in addition to any other rights UNIFLUX DBA HOBGOOD ELECTRIC may have, Customer shall indemnify, defend and hold UNIFLUX DBA HOBGOOD ELECTRIC harmless from any claims, losses or damages arising therefrom.

Article 4: Responsibilities of Customer

4.1 Customer, without cost to UNIFLUX DBA HOBGOOD ELECTRIC, shall:

(a) Designate a contact person with authority to make decisions for Customer regarding the Services and provide UNIFLUX DBA HOBGOOD ELECTRIC with information sufficient to contact such person in an emergency. If such representative cannot be reached, any request for Services received from a person located at Customer's site will be deemed authorized by Customer, and UNIFLUX DBA HOBGOOD ELECTRIC will, in its reasonable discretion, act accordingly;

(b) Provide or arrange without cost all reasonable provisions, means and access for UNIFLUX DBA HOBGOOD ELECTRIC to any site and the equipment where Services are to be performed;

(c) Furnish UNIFLUX DBA HOBGOOD ELECTRIC with all available information pertinent to the Services;

(d) Maintain the Services site in a safe condition; notify UNIFLUX DBA HOBGOOD ELECTRIC promptly of any site conditions requiring special care; and provide UNIFLUX DBA HOBGOOD ELECTRIC with any available documents describing the quantity, nature, location and extent of such conditions;

(k) Maintain all Covered Equipment in good working order in compliance with all applicable laws and service, repair and replace all Covered Equipment as necessary;

4.2 Customer acknowledges that the technical and pricing information herein is proprietary to UNIFLUX DBA HOBGOOD ELECTRIC and agrees not to disclose or otherwise make it available to others.

4.3 Customer acknowledges that it is now and shall be at all times in control of the Services site. UNIFLUX DBA HOBGOOD ELECTRIC shall not have any responsibility, duty or authority to direct, supervise or oversee any employees or contractors of Customer or their work or to provide the means, methods or sequence of their work or to stop their work. UNIFLUX DBA HOBGOOD ELECTRIC work and/or presence at a site shall not relieve others of their responsibility to Customer or to others. Except as expressly provided herein, UNIFLUX DBA HOBGOOD ELECTRIC is not responsible for the adequacy of the health, safety or security programs or precautions related to Customer's or its other contractors' activities or operations; the work of any other person or entity; or Customer's site conditions. UNIFLUX DBA HOBGOOD ELECTRIC is not responsible for inspecting, observing, reporting or correcting health or safety conditions or deficiencies of Customer or others at Customer's site. So as not to discourage UNIFLUX DBA HOBGOOD ELECTRIC from voluntarily addressing such issues, in the event UNIFLUX DBA HOBGOOD ELECTRIC does make observations, reports, suggestions or otherwise regarding such issues, UNIFLUX DBA HOBGOOD ELECTRIC shall not be liable or responsible for same.

Article 5: Compensation

5.1 Payments to be made under this Agreement will provide for, and be in consideration of, only Services specifically included under the Proposed Solution. All other Services, including but not limited to the following, shall be separately billed or surcharged on a time and materials basis: (a) emergency Services performed at Customer's request (b) Services performed other than during UNIFLUX DBA HOBGOOD ELECTRIC normal working hours; and (c) Service performed on equipment not covered by this Agreement.

5.3 UNIFLUX DBA HOBGOOD ELECTRIC shall invoice Customer as provided in this Agreement, or if not expressly provided, then on an annual basis prior to the Start Date and annually thereafter on the anniversary of such Start Date. Invoices are due and payable net cash upon receipt unless Customer has applied and been approved for credit with UNIFLUX DBA HOBGOOD ELECTRIC, in which case the invoice is payable within 30 calendar days of receipt by Customer or as otherwise set forth in this Agreement. If any payment is not received when due, UNIFLUX DBA HOBGOOD ELECTRIC may deem Customer to be in breach hereof and may enforce any remedies available to it hereunder or at law, including without limitation, acceleration of payments and suspension or termination of Services at any time and without notice, and shall be entitled to compensation for Services previously performed and costs reasonably incurred in connection with the suspension or termination. In the

event that any payment due hereunder is not paid when due, Customer agrees to pay, upon demand, as a late charge, one and one-half percent (1.5%) of the amount of the payment per month, limited by the maximum rate permitted by law of each overdue amount under this Agreement. Customer shall reimburse UNIFLUX DBA HOBGOOD ELECTRIC costs and expenses (including reasonable attorneys' and witnesses' fees) incurred for collection under this Agreement. If Customer disputes any portion or all of an invoice, it shall notify UNIFLUX DBA HOBGOOD ELECTRIC in writing of the amount in dispute and the reason for its disagreement within 21 days of receipt of the invoice. The undisputed portion shall be paid when due, and interest on any unpaid portion shall accrue as aforesaid, from the date due until paid, to the extent that such amounts are finally determined to be payable to UNIFLUX DBA HOBGOOD ELECTRIC

5.4 Except to the extent expressly agreed in this Agreement, UNIFLUX DBA HOBGOOD ELECTRIC fees do not include any taxes, excises, fees, duties, permits or other government charges related to the Services. Customer shall pay such amounts or reimburse UNIFLUX DBA HOBGOOD ELECTRIC for any amounts it pays. If Customer claims a tax exemption or direct payment permit, it shall provide UNIFLUX DBA HOBGOOD ELECTRIC with a valid exemption certificate or permit and indemnify, defend and hold UNIFLUX DBA HOBGOOD ELECTRIC harmless from any taxes, costs and penalties arising out of same.

Article 6: Changes; Delays; Excused Performance

6.1 As the Services are performed, conditions may change or circumstances outside UNIFLUX DBA HOBGOOD ELECTRIC reasonable control (such as changes of law) may develop which require UNIFLUX DBA HOBGOOD ELECTRIC to expend additional costs, effort or time to complete the Services, in which case UNIFLUX DBA HOBGOOD ELECTRIC shall notify Customer and an equitable adjustment made to the compensation and time for performance. In the event conditions or circumstances require Services to be suspended or terminated, UNIFLUX DBA HOBGOOD ELECTRIC shall be compensated for Services performed and for costs reasonable incurred in connection with the suspension or termination.

6.2 UNIFLUX DBA HOBGOOD ELECTRIC shall not be responsible for loss, delay, injury, damage or failure of performance that may be caused by circumstances beyond its control, including but not limited to acts or omissions by Customer or its employees, agents or contractors, Acts of God, war, civil commotion, acts or omissions of government authorities, fire, theft, corrosion, flood, water damage, lightning, freeze-ups, strikes, lockouts, differences with workmen, riots, explosions, quarantine restrictions, delays in transportation, or shortage of vehicles, fuel, labor or materials. In the event of any such circumstances, UNIFLUX DBA HOBGOOD ELECTRIC shall be excused from performance of the Services and the time for performance shall be extended by a period equal to the time lost plus a reasonable recovery period and the compensation equitably adjusted to compensate for additional costs UNIFLUX DBA HOBGOOD ELECTRIC incurs due to such circumstances.

Article 7: Warranties; Disclaimers; Limitation of Liability

7.1 TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, UNIFLUX DBA HOBGOOD ELECTRIC WILL NOT BE LIABLE FOR ANY BUSINESS INTERRUPTION OR LOSS OF PROFIT, REVENUE, MATERIALS, ANTICIPATED SAVINGS, DATA, CONTRACT, GOODWILL OR THE LIKE (WHETHER DIRECT OR INDIRECT IN NATURE) OR FOR ANY OTHER FORM OF INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES. UNIFLUX DBA HOBGOOD ELECTRIC'S MAXIMUM CUMULATIVE LIABILITY RELATIVE TO ALL OTHER CLAIMS AND LIABILITIES FOR WHICH IT IS FOUND RESPONSIBLE, WHETHER OR NOT INSURED, INCLUDING OBLIGATIONS UNDER ANY INDEMNITY, WILL NOT EXCEED UNIFLUX DBA HOBGOOD ELECTRIC'S SELLING PRICE TO CUSTOMER FOR THE PRODUCT(S) GIVING RISE TO THE CLAIM OR LIABILITY. UNIFLUX DBA HOBGOOD ELECTRIC DISCLAIMS ALL LIABILITY FOR GRATUITOUS INFORMATION OR ASSISTANCE PROVIDED BY, BUT NOT CONTRACTUALLY REQUIRED OF UNIFLUX DBA HOBGOOD ELECTRIC. ANY ACTION AGAINST UNIFLUX DBA HOBGOOD ELECTRIC MUST BE BROUGHT WITHIN EIGHTEEN (18) MONTHS AFTER THE CAUSE OF ACTION ACCRUES. THESE DISCLAIMERS AND LIMITATIONS OF LIABILITY WILL APPLY REGARDLESS OF ANY OTHER CONTRARY PROVISION BETWEEN UNIFLUX DBA HOBGOOD ELECTRIC AND CUSTOMER AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE, AND FURTHER WILL EXTEND TO THE BENEFIT OF UNIFLUX DBA HOBGOOD ELECTRIC EMPLOYEES, REPRESENTATIVES AND SUPPLIERS AS THIRD-PARTY BENEFICIARIES. EACH PROVISION THAT PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTY OR CONDITION, OR EXCLUSION OF DAMAGES IS SEVERABLE AND INDEPENDENT OF ANY OTHER PROVISION AND IS TO BE ENFORCED AS SUCH.

7.2 No failure or delay by UNIFLUX DBA HOBGOOD ELECTRIC in exercising any rights, whether occurring once or multiple times, shall be construed as a waiver of UNIFLUX DBA HOBGOOD ELECTRIC's rights to require strict compliance with any one or more of these terms and conditions.

7.3 Limited Warranty. Goods accepted for service(s) are warranted by the type of service(s) as defined in this article. Repairs or replacement of parts are only warranted for the materials and workmanship supplied by UNIFLUX DBA HOBGOOD ELECTRIC. Any warranties or obligations are subject to reasonable maintenance of the equipment, operation within the manufacturer's design limits and under competent supervision. All repairs, inspections, tests, services, and modifications are warranted to be free from defects of materials and workmanship for the periods of time and services defined below:

1. Recondition – 90 days from the date of shipment.
2. Recondition and Rewind – 1 year from the date of shipment for windings.
3. Mechanical Rebuild/Reconstruction – 90 days from the date of shipment.

Warranty only applies to the windings of apparatuses with multiple windings to those installed or replaced by UNIFLUX DBA HOBGOOD ELECTRIC.

Recondition services consist of the apparatus being dismantled, cleaned, inspected, lubricated, windings dried and varnished, anti-friction bearing replacement with new, tolerances brought to manufacturer or EASA standards, reassembled, electrically and mechanically tested, documented, and returned.

UNIFLUX DBA HOBGOOD ELECTRIC shall not be held liable for providing the services, compensation of the services by the customer or 3rd party for the removal or reinstallation, transportation services or costs as related to the warranty work. All warranty work will be provided on a single shift during normal business hours. Any overtime work requested for warranty will be paid by the customer. The time of the warranty will remain the original date of services rendered on the apparatus.

Article 8: Import / Export Indemnity

8.1 Customer acknowledges that UNIFLUX DBA HOBGOOD ELECTRIC is required to comply with applicable export laws and regulations relating to the sale, exportation, transfer, assignment, disposal and usage of the *Covered Equipment or Services* provided under the Contract, including any export license requirements. Customer agrees that such *Covered Equipment or Services* shall not at any time directly or indirectly be used, exported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with such applicable export laws and regulations. It shall be a condition of the continuing performance by UNIFLUX DBA HOBGOOD ELECTRIC of its obligations hereunder that compliance with such export laws and regulations be maintained at all times. CUSTOMER AGREES TO INDEMNIFY AND HOLD UNIFLUX DBA HOBGOOD ELECTRIC HARMLESS FROM ANY AND ALL COSTS, LIABILITIES, PENALTIES, SANCTIONS AND FINES RELATED TO NON-COMPLIANCE WITH APPLICABLE EXPORT LAWS AND REGULATIONS.