

HYDRO SYSTEMS COMPANY

STANDARD TERMS AND CONDITIONS OF PURCHASE

Hydro Systems Company ("Buyer") agrees to purchase, and the seller identified on the face of this purchase order ("Seller") agrees to sell, the goods ("Goods") and/or provide the services ("Services") as described in this purchase order, which includes any document or drawing referenced or incorporated by reference in this purchase order (collectively, "Order"), subject to the following:

1. **Acceptance.** Acceptance of the offer represented by this Order is expressly limited to the terms and conditions of this Order. There are no understandings or agreements relating to the subject matter of this Order other than as set forth in this Order. Buyer may withdraw this Order at any time before it is accepted by Seller. Seller shall be bound by this Order when it executes and returns the acknowledgement copy of this Order, when it otherwise indicates acceptance of this Order or when it ships any Goods or provides any Services ordered herein to Buyer or otherwise commences performance hereunder. Acceptance of this Order is expressly limited to the terms and conditions stated herein and Buyer hereby objects to and rejects any and all additional or contrary terms and conditions in Seller's order acknowledgment, invoice and in any other document issued by Seller, none of which shall be part of any contract between Buyer and Seller or otherwise binding on Buyer. Any acceptance by Buyer of any Goods and/or Services from Seller shall not be deemed an acceptance by Buyer of any additional or contrary terms and conditions contained in any document issued by Seller.

2. **Prices and Payment Terms.** The price of the Goods and/or Services is the price stated in this Order. Prices for Goods are F.O.B. Buyer's facility in Cincinnati, Ohio. Unless specifically otherwise agreed by Buyer and Seller in writing, prices herein shall not be increased without Buyer's prior written consent. Except to the extent set forth on the face of this Order, no additional charges of any

type shall be added to the Goods and/or Services including, but not limited to, any charges for insurance, shipping, taxes, storage, packing or crating, without Buyer's prior written consent. Terms of payment, unless specifically otherwise agreed by Buyer and Seller in writing, 90 days from the date of shipment. If any invoice issued under this Order is subject to cash discount, the discount period shall begin on the date Buyer receives such invoice.

3. **Rejection.** Receipt of and/or payment for Goods and/or Services shall not constitute acceptance thereof and any Goods which are of inferior quality or workmanship, not in compliance with drawings, specifications or warranties, shipped contrary to instructions, not in the quantities specified, or otherwise not conforming to this Order or that violate any applicable law may be rejected by Buyer. In addition to other rights and remedies available to Buyer, Goods which have been so rejected in whole or in part may, at Buyer's option, be returned to Seller for reimbursement (including freight charges), credit or replacement, or may be held for disposition at Seller's expense and risk. Buyer may charge Seller any expenses incurred in unpacking, examining, repacking, storing and reshipping any Goods so rejected.

4. **Termination.** Buyer reserves the right to terminate this Order, in whole or in part, at any time prior to shipment of any Goods or performance of any Services, subject only to the payment by Buyer of the actual and direct cost of any custom made finished Goods previously ordered by Buyer that cannot be repurposed by Seller. Buyer may also terminate this Order, -or any other order between the parties, in whole or in part, for cause. Cause includes, but is not limited to, Seller's default or non-compliance with any term or condition of this Order, late delivery, delivery of defective or non-conforming Goods, cessation of the conduct of Seller's business,

failure of Seller to pay its debts generally as such debts become due, commencement of any proceeding under the Bankruptcy Code or insolvency laws by or against Seller, appointment of a receiver for Seller or a substantial portion of its business or assets, or an assignment for the benefit of Seller's creditors. In the event of termination for cause, Buyer shall not be liable to Seller for any amount and Seller shall be liable to Buyer for all damages sustained by such termination. Seller may not cancel or modify this Order in whole or in part without Buyer's prior written consent.

5. **Confidentiality.** Seller shall keep in strict confidence all information furnished to Seller by Buyer, and all information furnished by Seller to Buyer including, but not limited to, drawings, specifications and other documents prepared by Seller for Buyer, in connection with this Order and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this Order, Seller shall not advertise or publicize the fact that Buyer has contracted to purchase Goods and/or Services from Seller, nor shall any other information relating to this Order be disclosed without Buyer's prior written consent. Unless specifically otherwise agreed by Buyer and Seller in writing, Buyer shall not be required to treat as confidential, and may publicly disclose in any manner and at any time, any and all commercial, financial technical information disclosed by Seller to Buyer and Seller shall have no rights against Buyer with respect thereto.

6. **Warranties.** Seller warrants that: (a) all Goods (including any component parts) and/or Services provided to Buyer shall be new, merchantable, free from defects in design, workmanship and material, fit for their intended purpose and conform to applicable drawings, descriptions, statutes, rules, regulations, and all other requirements of this Order; (b) Seller has good and marketable title to all Goods furnished under this Order and the right to transfer title to all such Goods to Buyer free and clear of all liens and encumbrances; (c) all Services shall be performed in a workmanlike manner by appropriately trained

and licensed employees of Seller, and in accordance with best industry standards and practices and all applicable laws; and (d) all Goods shall conform to any statements made on the containers, labels or advertisements for such Goods, and shall be adequately contained, packaged, marked and labeled. Inspection, testing, acceptance or use of the Goods and/or Services shall not affect Seller's obligation under this warranty, and this warranty shall survive inspection, test, acceptance and use. This warranty is made to, and shall inure to the benefit of, Buyer, its successors and assigns, and its customers, and any other users of the Goods. Seller, at its expense and at Buyer's option, shall repair or replace any defective Goods, or re-perform any Services, not conforming to the foregoing warranty promptly when notified of such non-conformity, provided that Buyer elects to provide Seller with the opportunity to do so. Alternatively, if Buyer elects to do so, or in the event Seller fails to promptly repair defects in, replace non-conforming Goods or re-perform non-conforming Services, Buyer may make such repairs or replace such Goods or re-perform such Services, or in any case may engage third parties to do so, and Seller shall reimburse Buyer for the cost thereof.

7. **Independent Contractors.** The relationship between Buyer and Seller is that of independent contractors. Nothing contained in the Order shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from this Order.

8. **Force Majeure.** No liability shall result from delay in performance or non-performance by Buyer caused by circumstances beyond its reasonable control including, without limitation, acts of God, fire, flood, explosions, riots, wars, terrorism, perils of the sea, labor disputes, machinery breakages, government actions or prohibitions, shortages of raw materials or energy at reasonable cost, and/or traffic stoppages. Seller's economic hardship, changes in market

conditions, strikes, labor or supply chain-related delays shall not be considered force majeure.

9. Intellectual Property. Seller warrants that neither the Goods, nor Services, nor any use thereof, shall infringe on any existing or pending patent, copyright, trademark, trade name, invention or process of manufacturing or other intellectual property right. This warranty is made to, and shall inure to the benefit of, Buyer, its successors and assigns, and its customers and any other users of the Goods. Seller promptly shall assume full responsibility for the defense of any claim, suit or proceeding which may be brought for alleged infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of any Goods. Buyer may be represented by and actively participate through its own counsel in any such suit proceeding if it so desires, and the costs of such representation shall be paid by Seller. Any settlement of such action is subject to Buyer's prior written consent. Any Goods capable of copyright protection made, designed or developed for Buyer pursuant to this Order shall be a "work made for hire." Seller hereby grants and assigns to Buyer and its successors and assigns any and all inventions, discoveries, computer programs, software, data, technologies, designs, innovations and improvements and related patents, copyrights, trademarks and other industrial and intellectual property rights and applications therefor made or conceived by Seller or its agents or employees in connection with Seller's performance of this Order.

10. Buyer's Property. Unless specifically otherwise agreed by Buyer and Seller in writing, all property of any description furnished to Seller by Buyer or unconditionally appropriated to this Order, or any replacement thereof, or any materials affixed or attached thereto, shall be and remain the personal property solely of Buyer. Such property, and whenever practical, each individual item thereof shall be plainly marked or otherwise adequately identified by Seller as "Property of Hydro Systems Company" and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Buyer's

property and shall not use such property except in filling Buyer's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost thereof with loss payable to Buyer, and shall be subject to removal at Buyer's written request in which event Seller shall prepare such property for shipment and shall re-deliver it to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted.

11. Changes. Buyer reserves the right to make changes to this Order (including, but not limited to, drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation), in whole or in part, at any time prior to shipment of any Goods or performance of any Services. If any such changes cause an increase or decrease in the cost of, or the time required for the provision of such Goods and/or Services, an equitable adjustment shall be made in the Order price or delivery schedule, or both, by mutual agreement of Buyer and Seller. Any Seller claim for adjustment under this Section shall be deemed waived unless asserted within five (5) days from Seller's receipt of the change notification. Seller shall not make any changes to the design, materials or processes used to manufacture the Goods or provide the Services, or to the location at which the Goods are manufactured, without Buyer's prior written consent.

12. Delivery/Title. Seller shall deliver the Goods and/or provide the Services on the date specified in this Order (the "Delivery Date"). Except as otherwise provided in this Order, delivery shall be made at Buyer's facility in Cincinnati, Ohio. Time is of the essence and if delivery of the Goods or performance of the Services is not completed by the Delivery Date, Buyer reserves the right, without liability and in addition to its other rights and remedies, to terminate this Order by notice to Seller effective as to Goods not yet shipped or Services not yet rendered, and to purchase substitute Goods and/or Services elsewhere and charge Seller with any additional expenses, costs and loss incurred by Buyer as a result. Seller shall promptly notify Buyer in writing if the supply of the

Goods and/or performance of the Services will be delayed, indicating the cause and extent of the delay, but such notice shall not relieve Seller of its obligations to deliver and/or perform as required by this Order unless otherwise instructed by Buyer in writing. If, in order to meet the Delivery Date, it becomes necessary for Seller to ship by a more expensive way than specified in this Order, such increased transportation costs shall be paid solely by Seller and Buyer shall have no liability therefor. Title and risk of loss shall pass to Buyer upon delivery of the Goods. If Goods are to be installed by Seller at Buyer's facility, title and risk of loss shall pass to Buyer upon completion of the installation and written approval by Buyer.

13. No Assignment. Seller shall not assign or subcontract this Order, in whole or in part, or any interest herein, without Buyer's prior written consent.

14. Set Off. Buyer shall have the right to set off any amount payable any time by Buyer to Seller in connection with this Order or otherwise against any amounts due from Seller or its affiliated companies to Buyer.

15. Applicable Laws. Seller shall comply with all applicable national, federal, state, provincial and local laws, rules and regulations in providing Goods and/or Services under this Order including, but not limited to: (a) all applicable requirements of the Occupational Safety and Health Act of 1970, as amended; (b) the Fair Labor Standards Act of 1938, as amended; (c) Executive Order 11246, and all regulations issued under such laws; (d) the Restriction of Hazardous Substances Directive (RoHS) (2002/95/EC and 2011/65/EU); and (e) all applicable export and import laws, directives and other requirements of all countries involved in the sale of Goods under this Order. Seller shall maintain in effect all licenses, permissions, authorizations, consents and permits that Seller needs to carry out its obligations under this Order.

16. Work on Buyer's or Buyer's Customer's Premises. If Seller's provision of Goods and/or Services under this Order involves operations by Seller on the premises of Buyer or any of Buyer's customers, Seller shall take all necessary

precautions to prevent injury to person or property during such work, including, but not limited to, adhering to the rules, policies, procedures and other requirements governing Buyer's or Buyer's customer's premises.

17. Insurance. Seller, at its expense, shall maintain and carry in full force and effect customary and reasonable insurance including, but not limited to: (a) commercial general liability insurance (including product liability); (b) workers' compensation insurance at the statutory limit for the jurisdiction in which Seller operates; (c) for any Services to be provided on Buyer's property or property of Buyer's customers; (d) automobile liability insurance covering all owned, hired and non-owned vehicles and (e) employer's liability insurance. All such insurance shall be with financially sound and reputable insurers, with coverages, coverage limits and other terms acceptable to Buyer. Upon Buyer's request, Seller shall provide Buyer with a certificate of insurance from Seller's insurers evidencing the insurance coverage specified in this Order. The certificate of insurance shall name Buyer as an additional insured. Seller shall provide Buyer with ten (10) days' advance written notice in the event of a cancellation or material change in Seller's insurance coverages. Except where prohibited by law, Seller shall require its insurers to waive all rights of subrogation against Buyer, Buyer's insurers and Seller's indemnitees described below.

18. No Waiver. Failure or delay by Seller in enforcing any right which it may have in any instance shall not be deemed to be a waiver of any right it may have in that or any other instance.

19. Indemnification. Seller shall indemnify and defend Buyer, and its shareholders, directors, officers, employees, agents, representatives and customers, and hold each and all of them harmless, from and against any and all demands, claims, causes of action, damages, expenses, liabilities, losses, fines, penalties and costs (including, without limitation, attorneys' fees and court costs) arising out of, or in connection with: (a) any breach by Seller of any term, condition, covenant or warranty contained in this Order; or

(b) any wrongful act or omission of Seller or Seller's subcontractors, agents or representatives in connection with providing the Goods and/or Services, except to the extent caused solely by Buyer's gross negligence or willful misconduct. This indemnification shall be in addition to the warranty obligations of Seller.

20. Limitation of Liability. IN ALL EVENTS BUYER'S LIABILITY SHALL BE EXPRESSLY LIMITED TO THE PURCHASE PRICE OF THE GOODS AND/OR SERVICES IN RESPECT OF WHICH ANY CLAIM IS MADE. BUYER SHALL HAVE NO OTHER LIABILITY TO SELLER WHATSOEVER, WHETHER BASED ON BREACH OF CONTRACT, NEGLIGENCE, GROSS NEGLIGENCE, STRICT LIABILITY OR ANY OTHER CLAIM AND UNDER NO CIRCUMSTANCES SHALL BUYER BE LIABLE TO FOR LOST PROFITS OR REVENUES, SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR EXEMPLARY DAMAGES, OR FINES OR PENALTIES, INCURRED BY SELLER OR ANY THIRD PARTY.

21. Conflict Minerals. Seller shall, with each shipment to Buyer (or as otherwise agreed in writing between Seller and Buyer), provide a certificate of the country of origin for any and all Conflict Minerals (as defined in this section) contained in any Goods, materials, products or items included in such shipment, including whether any part of the shipment contains Conflict Minerals from Covered Countries (as defined in this section). Buyer reserves the right to require Seller to produce documentation as to the country of origin and the due diligence process undertaken by Seller to confirm the country of origin of Conflict Minerals included in each shipment to Buyer. Where Seller is permitted by Buyer to provide a blanket certificate of country of origin for Conflict Minerals contained in any Goods, materials, products or items purchased by Buyer, Supplier promptly shall notify Seller of any change in Seller's sourcing, including in changes in country of origin or any changes in sub-supplier identification. Blanket certificates of country of origin will not be accepted covering periods of greater than 12 calendar months. For purposes of this section, "Conflict Minerals" include Columbite-Tantalite (Tantalum), Cassiterite (Tin), Gold, Wolframite

(Tungsten) and any derivatives from these minerals, and "Covered Countries" include the Democratic Republic of the Congo, Angola, Burundi, the Central African Republic, The Republic of Congo, Uganda, Rwanda, Sudan (South Sudan), Tanzania and Zambia.

22. Dover's Supplier Code of Conduct. Seller has read, understands and agrees to comply with the Dover Corporation Supplier Code of Conduct, a copy of which may be found at www.dovercorporation.com under the Governance section. If there are any inconsistencies between this Order and the Dover Corporation Supplier Code of Conduct, the Dover Corporation Supplier Code of Conduct shall govern.

23. Governing Law. This Order, and the rights and obligations of Buyer and Seller hereunder, shall be governed by and construed in accordance with the laws of the State of Ohio.

24. Venue. Seller irrevocably agrees that the federal and state courts located in Hamilton County, Ohio shall have non-exclusive personal jurisdiction over Seller in connection with any dispute or claim that arises out of or in connection with this Order or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall prevent Buyer from bringing proceedings in any other courts of competent jurisdiction

25. Severability. Each provision of this Order shall be interpreted in such a manner as to be effective and valid under applicable law. The determination by any court of competent jurisdiction that one or more of the sections or provisions of this Order are unenforceable shall not invalidate the remaining terms of this Order, and the decision of such court shall be given effect so as to limit to the extent possible the sections or provisions which are deemed unenforceable.

26. Rights Cumulative. Buyer's rights and remedies herein set forth shall be cumulative and in addition to any other available rights or remedies provided in law or equity.

27. **Binding Effect.** This Order shall be binding upon the successors and assigns of Seller and shall insure to the benefit of the successors and assigns of Buyer.

(March, 2018)

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