

## CORE TECH INDUSTRIAL CORP. TERMS AND CONDITIONS OF SALE

1. Acceptance of Terms. Buyer agrees to be bound by and to comply with all terms and conditions set forth herein in relation to any order accepted by Seller, including, any amendments, supplements, specifications and other documents in connection therewith (collectively, the "Order") for the sale of products and/or services (the "Items"). Acknowledgement of the Order, including without limitation, by beginning performance of the work called for by the Order, shall not be deemed acceptance by Seller of any Buyer general terms and conditions contained in a purchase order which are inconsistent with those contained herein. **ANY TERMS AND CONDITIONS INCLUDED BY BUYER WHICH ARE INCONSISTENT WITH THOSE SET FORTH HEREIN ARE EXPRESSLY REJECTED BY SELLER, UNLESS INDIVIDUALLY AND EXPRESSLY AGREED TO BY SELLER IN WRITING.**
2. Prices and Payment. a) All prices for Items sold hereunder are for the product described in the Order and any product drawings and specifications incorporated by reference, subject to any change orders which Seller is entitled to receive in accordance with these terms and conditions of sale. Unless otherwise provided on the face of the Order, THE PRICES APPEARING HEREIN EXCLUDE ALL PACKAGING, CRATING, TARIFFS, FEDERAL, STATE, AND LOCAL TAXES, IF APPLICABLE, AND ARE PROVIDED BY SELLER ONLY FOR THE DELIVERY PERIOD SHOWN. b) Seller warrants that none of the Items furnished under the Order are surplus, used, remanufactured or reconditioned or of such age or so deteriorated as to impair the usefulness or safety thereof, unless otherwise specifically stated on the face of the Order. c) Unless otherwise agreed by Seller, payment terms are 10 days net. The "Payment Start Date" is the earlier of: (i) the date the Items are (A) available for pick up by Buyer or common carrier from Seller's place of manufacture, (B) received by Buyer, or (C) delivered to common carrier by Seller (as applicable to the particular Order); or (ii) the date of Buyer's receipt of an invoice which is not disputed by Buyer within 3 days of its receipt.
3. Deliveries and Shipment. Subject to the other terms and conditions hereof, Seller shall deliver the Items in accordance with the Order. Seller shall be entitled to day-for-day extensions of the period of delivery for any delay caused by any party outside the control of Seller, in particular delays caused by Buyer's failure to comply with Seller's standard lead-times, incomplete/inconsistent product designs, site unsuitability and unreadiness for construction, late provision of Buyer provided parts which are to be integrated into the Item, and failure of Buyer to provide Seller with approvals in keeping with any project or critical path schedules (collectively, "Non-Seller Caused Delays"). Except as expressly contemplated by an Order, shipment by express, air shipment or premium shipment is excluded. Buyer may reject any portion of a delivery that exceeds the quantity authorized by Buyer for shipment by more than 5 percent. All Items shall be packaged in accordance with Seller's standard practices which shall be in accordance with good commercial practice and sufficient to ensure arrival in an undamaged condition. If requested by Buyer, Seller shall give notice of shipment to Buyer at the time of delivery of any shipment of Items to a carrier for transportation. Title and risk of loss of Items shall transfer to Buyer FOB or otherwise at the point of delivery by Seller of the Item to common carrier.
4. Inspection. Items are subject to final inspection and acceptance or rejection by Buyer within 3 days receipt of the Items by Buyer. At all reasonable times during the period of manufacture, Buyer, its customers, and/or representatives of relevant regulatory agencies where applicable (e.g., FAA) may inspect and/or test the Items to be furnished hereunder at the places where the work is being performed (including those of Seller's suppliers), and Seller shall provide reasonable facilities and assistance for safe and convenient inspection and test by Buyer, without any charge to the extent that it does not interfere with Seller's customary manufacturing operations. Buyer may inspect 100% or a sample of all Items or any lot of Items at Buyer's option, and Buyer shall have the right to reject those Items that are non-conforming with

specifications and/or terms of the Order, provided that Seller shall be entitled to receive a day-for-day extension of the delivery date for any production delays caused by Buyer's inspections. Buyer shall be deemed to waive its right of interim inspection at particular stages of manufacturing, if Buyer fails to complete such inspection when the Items are available for inspection at the relevant state of completion.

5. Warranties. Unless otherwise specified in the Order, Seller warrants that for a period of 1 year from the date of service by Seller (in the case of service) and 2 years from date of delivery for Items which are not installed by Seller, whichever comes sooner, all Items furnished to Buyer will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications and samples, will meet all functional and performance requirements and, to the extent the Order calls for services to be performed, that such services will be free from defects in workmanship, will meet all requirements of the Order (all of which are hereinafter collectively referred to as "Conforming Items"). Seller's liability is limited to Items that are returned to Seller within 30 days of Buyer's discovery of the alleged defect. Seller is not responsible for removal and re-installation of Items from within the Buyer's facilities. Along with the returned Items, Buyer shall provide details regarding the defect. Seller does not provide any warranty or assume liability for any technical advice that was provided to Buyer by Seller, except to the extent specifically set forth in the Order.

At Seller's discretion, Seller shall repair or replace Items that fail to comply with this warranty. Seller shall be responsible for the payment of any shipping and processing costs associated with the return of any Items which are determined by Seller to be non-Conforming Items following their inspection by Seller; in the case that Buyer has paid for any such shipping costs, Seller shall reimburse Buyer for all shipping, processing and priority costs incurred in relation to Items which are determined by Seller to be non-Conforming Items following their inspection by Seller. In the event non-Conforming Items are returned to Seller, Seller shall repair or replace such non-Conforming Items within a commercially reasonable period in keeping with the lead times associated with the initial production of the Item in the ordinary course of business. In the case of services, in the event that Seller is notified of the non-Conforming Item, Seller shall re-perform the non-Conforming work at the earliest opportunity in keeping with the lead times associated with the initial service in the ordinary course of business. Seller shall have no warranty liability under this Section 5 to the extent that the Item is altered or modified by Buyer or if the Item's failure is attributable to Buyer's failure to comply with applicable installation procedures, perform customary maintenance or other form of misuse of the Item.

6. Waiver of Consequential Damages. Except for a breach of the confidentiality and intellectual property provisions set forth in these Terms and Conditions, in no event will Buyer or Seller be liable or responsible to the other for any type of incidental, punitive, indirect or consequential damages, including, but not limited to, lost revenue, lost profits, replacement goods, loss of technology, rights or services, loss of data, or interruption or loss of use of service or equipment, even if advised of the possibility of such damages, whether arising under theory of contract, tort (including negligence), strict liability or otherwise.

7. Changes. a) Buyer may make changes within the general scope of the Order in any one or more of the following: (i) drawings, designs or specifications where the goods to be furnished are to be specially manufactured for Buyer; (ii) method of shipment or packing; (iii) place and time of delivery; (iv) amount of Buyer's furnished property; (v) quality; (vi) quantity; or (vii) scope or schedule of the Items. If any changes cause an increase or decrease in the cost, or the time required for the performance of any work under the Order, a mutually agreeable equitable adjustment shall be made in the Order price or delivery schedule, or both (including costs related to demobilization and remobilization), and in the absence of such Seller shall not be bound by the requested change. Adjustments related to obsolescence, scrap, and/or rework resulting from any change shall be limited to the materials ordered and/or in process at the time of the change or otherwise within Seller's normal manufacturing cycle in anticipation of Buyer's delivery schedule.

Performance of Buyer requested changes without simultaneous request for an equitable change in price or delivery schedule shall not constitute a waiver by Seller of its right to such. b) During performance of the Order, Seller may make any changes in the design of Items to be furnished by Seller under the Order without advance written notification to or written approval of Buyer, to the extent such changes do not materially affect the usage, functionality or installation of the Item. Unless otherwise mutually agreed to in the Order, Buyer shall be responsible for all Seller costs incurred as a result of any changes requested or caused by Buyer (including Non-Seller Caused Delays which are attributable to Buyer).

8. Intellectual Property. All tangible and intangible property furnished to Seller by Buyer, and tangible property specifically paid for by Buyer and which is based on the foregoing, shall remain Buyer's property ("Buyer Proprietary Information and Property"), provided however, that to the extent that any Item delivered by Seller includes any know how, trade secrets, patents, product integration techniques or other product designs created by Seller in the course of business, such intellectual property rights are retained by Seller ("Seller Proprietary Information and Property") and Buyer's rights therein are limited to that of an irrevocable limited license for the useful life of the specific Item sold by Seller to Buyer and only for its use at the location and for the application contemplated by the Order and for no other use or purpose. Seller may use Buyer Proprietary Information and Property only in the performance of work for Buyer, and Buyer may use Seller Proprietary Information and Property only to the extent of the limited license described herein and, upon Buyer's or Seller's request, the other will deliver any proprietary information and property and all copies thereof to the other.

Seller warrants that the Items and/or services provided or process used shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party. Seller agrees to indemnify, defend and hold harmless Buyer Indemnitees ("Buyer Indemnitees" shall mean and include any of Buyer and its subsidiaries, affiliates, agents, representatives, customers and invitees and their respective officers, directors, shareholders, and employees) from all costs and expenses related to any suit, claim or proceeding (excluding any and all attorneys' fees) brought against any of Buyer Indemnitees based on a claim that any service, article or apparatus, software, material, equipment, part, device or process, or any part thereof included in the Items furnished hereunder, or any device or process necessarily resulting from the use thereof, constitutes an infringement of any patent, copyright, trademark, trade secret or other intellectual property right of any third party. Buyer shall notify Seller of any such suit, claim or proceeding and give Seller authority, information, and assistance (at Seller's expense) for the defense of same, and Seller shall pay all damages and costs awarded therein. If use of said service, article or apparatus, material, equipment, part, device or process ("Infringing Material") is enjoined, Seller shall, at its own expense and at its option, either procure for Buyer (and Buyer's customer(s)) the right to continue using said article or apparatus, material, equipment, part, process or device, (or in the case of a service, Seller shall procure for Buyer (and Buyer's customer(s)) the right to continue receiving such service) or replace same with a non-infringing equivalent. Any modification to or substitute for any Infringing Material provided under this Section is subject to all of the terms and conditions herein, including, without limitation, the indemnification provisions of this Section. Notwithstanding the foregoing, (a) Buyer warrants that any components, product designs, product specification or code delivered to Seller in relation to Items or services to be performed by Seller shall not infringe any patent, copyright, trademark, or other proprietary right of any third party or misappropriate any trade secret of any third party, and (b) in no case shall Seller be obligated to indemnify Buyer under any provision of this Section in relation to any claim of infringement which is attributable to Seller's reliance on any Buyer provided instructions and/or Seller's reliance on any Buyer Proprietary Information and Property, and Buyer shall indemnify Seller on terms reciprocal to those set forth in the preceding provisions of this Section in the event a third party alleges that Seller has so infringed upon its intellectual property rights.

9. Confidentiality. Seller and Buyer shall keep the proprietary information and property of the other confidential and may not disclose such to any person or entity or otherwise reveal or in any manner display or demonstrate such in any public or private forum without the other's prior, express, written permission. If, with Buyer's or Seller's prior, express, written permission, the other furnishes proprietary information and property to any supplier or subcontractor of the other for use in performance of the Order or in relation to the limited license contemplated herein, the disclosing party shall (a) insert the substance of this Section in all orders to such supplier or subcontractor, and (b) remain responsible hereunder for any breach by such supplier or subcontractor of this Section. Neither Seller nor Buyer shall disclose the making of any Order or display any products manufactured for Buyer that utilize, are based on or incorporate any proprietary information and property of the other in any advertisement, journal, magazine or other publication or on the internet or in any other medium. Neither Seller nor Buyer may use the other party's (or its affiliate's) name or logo (including any trademark of the other party) in any of its advertising or publicity material without the other's prior written consent, which may be withheld or given in such party's absolute discretion. Neither Seller nor Buyer shall not use (and shall not assist others in using) any proprietary information and property to engage in activity outside of the Order and the limited license (as the case may be), including, without limitation, support of the aftermarket for the Items.

10. Record Retention. Seller shall retain all records related to (a) the Items, and (b) any transactions between Seller and Buyer, including but not limited to records related to quality, for a minimum period of seven (7) years following the delivery of the last Item related to a particular Order. Upon Buyer's written request, Seller will deliver all such records to Buyer or its designee, or dispose of such records, unless such records are required to be retained by Seller pursuant to applicable law, regulation, or for insurance purposes, provided that Buyer shall reimburse Seller for any customary and reasonable costs incurred by Seller in connection with providing copies of such to Buyer.

11. Seller's Status. It is understood and agreed that Seller and/or its employees engaged in the performance of the Order by Seller are not employees of Buyer and are not entitled to Buyer employee benefits or privileges or any payment from Buyer (other than as expressly provided for in the Order) and Seller shall pay the salaries or expenses, applicable taxes, including Social Security and unemployment benefits of said employees. Seller shall also pay any expenses normally paid by an employer in connection with its employees assigned to Buyer's account. Seller and its employees are and shall be deemed to be independent contractors at all times during its performance of the work specified in the Order.

12. Termination. By written notice, Buyer or Seller may terminate the Order in whole or in part: (a) if the other fails or refuses to perform in accordance with any of the requirements of the Order or the other breaches any term or condition of the Order or otherwise prevents the non-breaching party from being able to comply with the requirements of the Order, including failure to comply with Seller's standard lead-times, provision of incomplete/inconsistent product designs, site unsuitability and unreadiness for construction, late provision of Buyer provided parts which are to be integrated into the Item, and failure of Buyer to provide Seller with approvals/inspections in keeping with any project, construction or critical path schedules (a "Default"); (b) if the other party becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against the other party (whether voluntary or involuntary) under any federal or state law, or under any agreement, instrument, security interest, or similar arrangement, relating to bankruptcy, arrangement among debtor and creditors, reorganization, receivership or assignment for the benefit of creditors; or (c) if the other party is added to the federal Excluded Parties List System ("EPLS") or any other government denial list including but not limited to the Denied Persons List, Specially Designated Nationals List, or any other sanction or embargo lists issued by the U.S. Department of State, U.S. Department of Commerce or Office of Foreign Assets Control. Except as otherwise expressly contemplated herein, the parties shall have all available rights and remedies in law and equity following an event of default

or otherwise in relation to the termination of an Order. Prior to termination under (a) of this Section, the non-defaulting party shall provide the allegedly defaulting party with notice of default and an opportunity cure for a period of 30 days. Following such notice, if the allegedly breaching party disputes the breach, they may require that the alleged dispute be elevated within their respective organizations for mutually acceptable dispute resolution for a period of 10 days, and in the absence of mutual agreement at such level, the non-breaching party may terminate the Order.

13. Indemnification. Except to the extent expressly contemplated herein, Seller shall defend, indemnify and hold harmless Buyer Indemnitees, and Buyer shall defend, indemnify and hold harmless Seller, from and against all liability, demands, claims, losses, costs, damages, and expenses, including but not limited to attorneys' fees, by reason or on account of: (a) property damage, death, and personal injury of whatsoever nature or kind arising out of, as a result of, or in connection with the performance of the Order that is occasioned by the negligent or willful actions or omissions of Seller or its respective suppliers or subcontractors at any tier; and/or (b) Seller's breach of any of its obligations under these Terms and Conditions of Sale and/or any Order, provided that no party shall be indemnified for their (or their agent's or subcontractor's) negligent or willful action and any indemnification in such case shall be limited to Buyer's and Seller's respective percentage of causation.

14. Limitation of Liability. a) Seller liability is limited to the Items of the Order only, not the labor to remove or install the Items or any resulting damage or lost profits associated with any loss of operating efficiency or down-time. b) The Seller's total liability to the Buyer and any third parties shall not exceed the contract value of the Order.

15. Insurance. Seller will maintain and carry sufficient liability insurance to cover its obligations under the Order, with reputable insurance carriers reasonably acceptable to Buyer. Seller will, if requested by Buyer, furnish certificates of insurance from its carrier(s) which shall provide that such coverage shall not be changed without thirty (30) days advance written notification to Buyer.

16. Quality Assurance. Seller shall implement and/or maintain any quality systems which have been represented by Seller to Buyer to be adopted or to otherwise exist in the course of any supplier qualification. Seller will grant Buyer, its customer and relevant regulatory agencies access to its facilities and all relevant data, records and material in order to observe, evaluate and verify Seller's compliance with its quality obligations under the Order, provided that Buyer shall reimburse Seller for any customary and reasonable costs incurred by Seller in doing so. Seller will further provide Buyer, its customer and relevant regulatory agencies with reasonable facilities and assistance for safe and convenient observation, evaluation and verification.

17. Further Assurances and Audit. Upon request by either Buyer or Seller, the other will: (a) furnish to the requesting party any additional information reasonably requested; (b) execute and deliver, at its own expense, any other documents reasonably requested to be executed and delivered; and (c) take any other actions as the requesting party may reasonably require to more effectively carry out the intent, and comply with the terms, of this Agreement. Further, Seller will respond to requests by Buyer for information regarding the qualifications, experience and past performance of Seller.

Buyer may by itself and/or by engaging a reputable third party auditor, audit Seller's performance under these terms and/or the applicable Order. Buyer shall give Seller reasonable prior notice of any intended audit (unless Buyer is aware of or has reasonable grounds to suspect fraud). Seller shall provide Buyer and/or the relevant auditor access to all non-financial information, facilities, materials, installations, premises or procedures as it shall reasonably require to undertake the audit (or, in the case of facilities and premises

that are not within Seller's control shall use reasonable efforts to obtain such access), subject to Buyer requiring the auditor to enter into a reasonable confidentiality agreement with Seller restricting disclosure of Seller's confidential information to a reasonable extent.

18. Order of Precedence. Except as provided otherwise in a written document executed by authorized representatives of Buyer and Seller, in the event of any conflict among the provisions of the Order and any other associated documentation, the following order of precedence shall apply in interpreting the Order: (a) the text of a sales order to which the Order applies; (b) the specifications, drawings or any other supporting documentation sent with the Order; (c) any special or supplemental terms and conditions incorporated by reference in such sales order; and (d) these Terms and Conditions of Sale.

19. Disputes and Choice of Law. The parties shall attempt to amicably resolve any dispute which arises under these Terms and Conditions of Sale or any Order by engaging the appropriate representatives within each party's company. The Order shall, in all respects be interpreted, construed, and governed by and in accordance with the laws of the state of New York, excluding its conflict of laws rules. Claims arising from or relating to this Order shall be brought only in courts located in New York.

20. Non-waiver. Except as specifically contemplated herein, neither any failure nor any delay by Buyer or Seller in exercising any right, power, or privilege under any Order will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege. The waiver by Seller or Buyer of a breach of any provision of any Order will not operate or be construed as a waiver of any subsequent breach.

21. Severability. In the event any provision of the Order is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions of the Order will not be affected and, in lieu of such invalid or unenforceable provision, there will be added automatically as part of the Order provisions as similar in terms as may be valid and enforceable under applicable law.

22. Entire Agreement. The Order, with documents as are expressly incorporated by reference, is intended as a complete and exclusive expression of the parties' agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties. Each Party has full authority to enter into this Order and perform its obligations herein. The Order may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument. Facsimile signatures on such counterparts are deemed originals except where Seller has indicated that it requires originals. No course of prior dealings or usage of the trade shall be relevant to determine the meaning of the Order even if the accepting or acquiescing party has knowledge of the performance and opportunity for objection. All provisions or obligations contained in the Order, which by their nature or effect are required or intended to be observed, kept or performed after termination or expiration of the Order will survive and remain binding upon and for the benefit of the parties, their successors (including without limitation successors by merger) and permitted assigns.

23. Miscellaneous. The prevailing party in any action or proceeding for the enforcement, protection or establishment of any right or remedy under these Terms and Conditions of Sale or for the interpretation of such shall be entitled to recover their reasonable attorneys' fees and costs in connection with such action or proceeding from the non-prevailing party. The parties consent to the jurisdiction of the state or federal courts sitting in New York over any litigation or claim brought to enforce the terms hereof or determine any rights hereunder. Any litigation or claim brought by any party relating in any way to these Terms and Conditions of Sale may be brought only in the Supreme Court of the State of New York for the County of

Saratoga or in the United States District Court for the Northern District of New York. Each party acknowledges that should such party violate the provisions of these Terms and Conditions of Sale, it will be difficult or impossible to determine the resulting damage to the non-breaching party. Therefore, in the event of such a breach, in addition to any other remedies it may have, the non-breaching party shall be entitled to temporary and permanent injunctive relief to enforce the provisions hereof without the necessity of proving actual damage.

24. Amendment. The provisions of the Order may not be modified or amended except by a written instrument duly executed by both parties.