GOODS AND SERVICES SOLD BY APPLIED TECHNOLOGICAL INDUSTRIES, INC. OR ITS AFFILIATED COMPANIES ("SELLER") ARE EXPRESSLY SUBJECT TO THE TERMS AND CONDITIONS SET FORTH BELOW. ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS IN BUYER'S PURCHASE ORDER OR SIMILAR COMMUNICATION ARE OBJECTED TO AND SHALL NOT BE BINDING ON SELLER UNLESS AGREED TO IN WRITING BY A SELLER CORPORATE OFFICER. BUYER'S ACCEPTANCE OF SHIPMENT OR PERFORMANCE AND/OR PAYMENT FOR THE GOODS OR SERVICES CONSTITUTES ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS.

PRICE: Prices in effect at time of shipment of goods or performance of services shall prevail. All prices quoted by SELLER are subject to correction or change without notice. Prices do not include freight, shipping, handling fees and/or duties, and/or freight insurance. Unless otherwise stated in a purchase order or purchase order addendum, the price stated is for complete shipment of identical separate items and paid by Buyer. A standard shipping charge is applied to each invoice for goods to cover the material preparation, packaging, freight and/or any additional costs associated with each shipment based on value and/or weight of the shipment. Additional charges for local delivery may also apply. Export orders may be subject to other special pricing.

PAYMENT TERMS: Unless otherwise agreed in writing, terms of payment are thirty (30) days net, without discount, from date of invoice. SELLER reserves the right to add an interest charge to all overdue accounts. SELLER reserves the right to change payments terms at any time, for any reason, to any party, without notice. Each invoice payment must be made in full by Buyer prior to delivery. A late payment charge of 1 1/2% per month (an annual percentage rate of 18%) shall be charged on all past due accounts and Buyer shall pay SELLER all costs incurred by it in collecting any past due account from Buyer, including, but not limited to, all costs of reasonable collection efforts. However, SELLER reserves the right, at its sole discretion and without prior notice, to accept late payments or payments that are not in accordance with the terms of this Agreement if SELLER has not previously notified Buyer that such late payments are not acceptable. SELLER shall be authorized to use any federal, state or local court, in the state of Ohio, to enforce the payment of any past due payment from Buyer or to collect any past due payment from Buyer. SELLER is not waiving its rights and remedies set forth herein by accepting late payment. If SELLER determines, in its sole discretion, that a past due account is likely to become uncollectible, SELLER reserves the right to cancel Buyer's credit at any time for any reason. Buyer, in order to provide security for the payment of the full price of goods furnished hereunder, grants SELLER a security interest in the goods and the proceeds thereof. Buyer agrees to execute any documents or furnish information necessary to perfect this security interest. A copy of the invoice may be filed at any time as a financing and/or chattel mortgage, in order to perfect SELLER's security interest. SELLER may, in its sole discretion require, and Buyer hereby grants to SELLER, a continuing purchase money security interest in all inventory, equipment, and goods sold by SELLER to or for the benefit of Buyer, wherever located, and all accounts and goods in all transactions hereunder shall be held only before any state or federal court with jurisdiction and venue over Cleveland, Ohio, unless all such courts refuse to exercise jurisdiction and venue, and the parties hereby consent to exclusive jurisdiction in such court or courts. Buyer shall also pay for all legal and other expenses paid or incurred by SELLER in enforcing its rights hereunder. Buyer hereby agrees that if it brings a lawsuit against SELLER, Buyer shall be held liable for attorney fees and costs to enforce payment of substantially the entire amount, or any portion of the total amount, of the amount claimed in such a lawsuit. Buyer shall further agree to pay any and all costs of any action or lawsuit brought by SELLER arising out of any violation of this Agreement, or arising from any breach of warranty, or any other act or omission by Buyer. SELLER has the right to cancel Buyer's credit at any time for any reason. Buyer, in order to provide security for the payment of the full price of goods furnished hereunder, grants SELLER a security interest in the goods and the proceeds thereof. Buyer agrees to execute any documents or furnish information necessary to perfect this security interest. A copy of the invoice may be filed at any time as a financing and/or chattel mortgage, in order to perfect SELLER's security interest. 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Buyer shall further agree to pay any and all costs of any action or lawsuit brought by SELLER arising out of any violation of this Agreement, or arising from any breach of warranty, or any other act or omission by Buyer. SELLER has the right to cancel Buyer's credit at any time for any reason. Buyer, in order to provide security for the payment of the full price of goods furnished hereunder, grants SELLER a security interest in the goods and the proceeds thereof. Buyer agrees to execute any documents or furnish information necessary to perfect this security interest. A copy of the invoice may be filed at any time as a financing and/or chattel mortgage, in order to perfect SELLER's security interest. 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