



Airline
100% Employee Owned

3557 Progress Drive
P.O. Box 8505
Bensalem, PA 19020-8505
(215) 638-4700
Fax: (215) 638-1707

**Fluid Power, Automation and
Motion Control for all Industries**

| | |
|-------------------------------|-----------------------|
| Hydraulics | Pneumatics |
| Repair and Field Service | Fluid Connectors |
| Marine and Mobile Systems | Lubrication Solutions |
| Electro Drive & Control Group | Automation |
| PLC and Sensing Technologies | Safety Systems |
| Modular Framing Structures | Sub-Assemblies |

Dear Valued Customer:

Thank you for your interest in allowing Airline Hydraulics Corporation to become your valued supplier. We will make every effort to provide you with first class service and meet all your fluid power and automation expectations and needs.

As part of our credit process and your request for an open line of credit, it is our policy that all new customers complete our credit application. In an effort to make this as easy and painless as possible, if you have a separate sheet for your references, bank information and/or the officer's names, you may attach it to the Credit Application and note "see attached" where applicable.

Please be sure to include the following when returning the credit application:

- CREDIT APPLICATION **MUST BE SIGNED** BY AN **AUTHORIZED REPRESENTATIVE** OF THE COMPANY.
- FAX NUMBERS FOR TRADE REFERENCES ARE NECESSARY FOR US TO PROCESS YOUR CREDIT APPLICATION IN A TIMELY MANNER.
- IF APPLICABLE, PLEASE REMEMBER TO SUBMIT A VALID STATE SALES TAX EXEMPTION CERTIFICATE WITH THE CREDIT APPLICATION.

Please fax the completed Credit Application plus any attachments to:

Fax#: _____

Name: _____

Thank you in advance for your assistance, and we look forward to a mutually rewarding long-term relationship.

Mary Linda Perry
Credit Manager

| | | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Lehigh Valley Two Courtney Place 3864 Courtney Street Bethlehem, PA 18017 (610) 758-9400 Fax: (610) 758-9444 | York 2A Interchange Place York, PA 17406 (717) 767-6466 Fax: (717) 764-2147 | Baltimore Baltimore, MD (410) 574-5200 Fax: (410) 574-1141 | Marine & Mobile Systems 428 Woodbine-Ocean View Rd. Ocean View, NJ 08230 (609) 624-3700 Fax: (609) 624-0863 | North Jersey/New York Raritan Business Center 29A Mayfield Avenue Edison, NJ 08837 (732) 346-0700 (888) 842-5493 Fax: (732) 346-3177 | New England 2 Sterling Rd., Unit 2C N. Billerica, MA 01862 (978) 353-0200 (866) REXROTH Fax: (978) 353-3084 | Pittsburgh 145 Delta Drive Pittsburgh, PA 15238 (412) 963-6633 (877) 288-6623 Fax: (412) 963-7040 | New York State Buffalo, NY (800) 999-7378 Fax: (716) 630-0895 |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|

Please Fax To: Attn: _____

Fax #: _____



Airline Hydraulics Corporation

CREDIT APPLICATION AND AGREEMENT

Terms: Net 30, Subject to Credit Review and Approval

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3557 PROGRESS DRIVE P.O. BOX 8505 BENSALEM, PA 19020-8505 PHONE (215) 638-4700 FAX (215) 638-1707 http://www.airlinehyd.com | FOR INTERNAL USE ONLY: DATE OPENED: _____ A/C #: _____ CREDIT LINE: _____ CR MGR: _____ D & B RATING: _____ TERMS: _____ DATE ESTABLISHED: _____ |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Line of credit requested \$ _____ First Order \$ _____ Date of Application _____

Business Data DUNS #: _____ SIC CODE: _____ E Mail Address: _____

Individual or Business name. (Do not abbreviate)

Years in business: _____

Billing Address (Street, P.O. Box, if any, City , State and Zip Code)

Shipping Address (if different than Billing Address)

Telephone # : (_____) _____ Fax # : (_____) _____ Federal ID# : _____

Business Location is (circle) Owned Rented . Nature of Business: _____

Number of Employees _____ Do you currently have an account with us in a name other than stated on this application? (circle) **Yes No**. If yes, indicate name or business name _____ Has applicant (including any of its owners, partners or officers) ever filed a voluntary or involuntary petition in bankruptcy? (circle) **Yes No**. If yes, supply details as to date filed and identity of the party who filed. Have any lawsuits been filed against your company within the past three (3) years alleging non-payment of a debt? (circle) **Yes No**.

Business Owners or Officers

| Name | Title | Social Security Number |
|------|-------|------------------------|
| | | |

Trade References (Please be sure to include fax numbers to expedite processing)

| Name | Phone # | Fax # |
|------|-----------------|-----------------|
| | (_____) _____ | (_____) _____ |
| | (_____) _____ | (_____) _____ |
| | (_____) _____ | (_____) _____ |

Bank References

| Name | Address | Phone # | Loan Officer |
|------|---------|-----------------|--------------|
| | | (_____) _____ | |

Account # _____ Loan # _____ Date Account Opened _____ Other Bank? _____

**** Please furnish copy of Tax Exempt or Resale Certificate ****

Purchases will be: _____ Resale _____ Exempt _____ Mixed _____ Taxable _____

State Resale #: _____ Tax Exempt #: _____ County Resale #: _____

To induce the extension of an open credit account or COD terms, Applicant authorizes release of information from Trade and Bank references listed above and the use by Airline Hydraulics Corporation (AHC) of credit reporting firms to check Applicant's payment history, and agrees to the terms and conditions attached hereof and which can also be found at www.airlinehyd.com/information/AHCTerms&Conditions.pdf

Company Name: _____

Signature: _____ Title: _____

Print Name: _____ Date: _____

Applicant acknowledges and agrees to the following terms of sale for all products and services supplied by Seller from this date hereafter. In addition, the information set forth above by Applicant is true and correct. The person whose signature is above is authorized to enter into this Agreement for Applicant, and to bind Applicant to its terms. Applicant hereby attests that all submitted financial statements, if applicable, are true and correct.

Any or all liabilities to AHC shall, at the option of AHC, and notwithstanding any time or credit allowed by any instrument evidencing a liability, become immediately due and payable without notice or demand upon an "event of default", which is defined to include the default in the payment of any liability owed to AHC, including, without limitation, any amounts due and payable with respect to any account of Applicant, and the death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver for any part of the property of Applicant, assignment for the benefit of creditors by Applicant, or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Applicant or any guarantor or surety for Applicant.

AIRLINE HYDRAULICS CORPORATION TERMS AND CONDITIONS OF SALE

1. Prices: Unless Seller specifically states otherwise in writing, prices quoted apply only to the quantity and to the delivery schedule specified, may not be accepted in part, and shall automatically expire after 30 calendar days from the quoted date. Prices are F.O.B. Origin, Seller's manufacturing plant or branch unless Seller otherwise specifies. Additional services are subject to charge at Seller's standard rates. Additionally, the price of any article scheduled for shipment on a date beyond a period of 90 calendar days from the date of Seller's quotation or, if formal quotation has not been made, from receipt of Buyer's order, is subject to increase or decrease by Seller unless otherwise agreed to in writing.

Payment shall not prejudice claims on account of omissions or shortages in shipment, but no such claim will be allowed unless made within 30 calendar days after receipt of shipment by Buyer.

Prices of electric motors and other accessory components are not guaranteed to Seller by the manufacturer and are subject to escalation. Therefore, Seller's prices are subject to adjustment to reflect costs of electric motors and/or other accessory components in effect as the time of shipment.

Prices include ordinary packing only.

2. Delivery: Unless Seller otherwise specifies, delivery will be made F.O.B., Seller's manufacturing plant or branch and title and risk of loss shall pass to Buyer at that point. Seller shall have the right to choose means of transportation and to route shipments when specific instructions are not included with Buyer's order.

The Seller shall not be liable, nor shall this order be subject to cancellation, for any delay in delivery which is caused by or due to any contingency beyond the Seller's control ("Force Majeure"), including, but not limited to, wars, fire, floods, riots, strikes or lockouts, or labor disputes involving the Seller or its subcontractors, insurrection, earthquakes, embargos, Acts of God, demands or requirements of governments, failure of or delay in transportation, unusually severe weather, default of a supplier or subcontractor or due to any other cause beyond Seller's reasonable control. In the event of delay for any such cause, the specified delivery date shall be extended for a reasonable length of time, but not less than the period of delay.

3. Terms of Payment: Unless otherwise agreed to in writing by Seller, terms of payment shall be, subject to credit approval by Seller, Net 30 Days from date of invoice.

4. Taxes: Prices do not include any present or future federal, state or local sales, use, excise, manufacturing, processing or importation tax, or any other tax or charge that is, or may be imposed, on the articles or services covered hereby or on subsidiary articles or material incorporated therein. Any such taxes or charges will be added to the invoices as separate items, unless appropriate exemption certificates are furnished to Seller.

5. Compliance With Laws: Seller to the best of his knowledge and belief, is complying with all state and federal laws, orders and regulations applicable to the manufacture of the articles ordered.

6. Partial Shipments: Unless Seller agrees in writing to the contrary, Seller reserves the right to make and to invoice for partial shipments of completed articles.

7. Cancellation and Changes: Orders are not subject to cancellation, complete or partial, without Seller's written consent. Any reduction in quantities ordered shall constitute a partial cancellation subject to this clause. If any change causes an increase in the cost of or time required for the performance of any work under the order, an equitable adjustment will be made to the price or delivery schedule, or both. Where Seller consents to cancellation, settlement will be made on the following basis: Buyer will pay to Seller, upon delivery, the full purchase price of all articles completed at the time Seller agrees to cancellation and, if Seller elects to complete any part or all of the articles scheduled for delivery within 30 calendar days from such time, the full purchase price of all such articles so completed, and Buyer will further pay to Seller a percentage of the purchase price of all other articles equivalent to the percentage of completion thereof as determined by Seller's normal cost accounting methods. Buyer will also pay the full unamortized costs of materials, dies, tools, patterns, and fixtures, made or contracted specifically for Buyer's order. Invoices for all cancellation charges are payable promptly upon presentation. If within 60 calendar days from the presentation of such invoice Buyer does not instruct Seller as to the disposition of the material, etc., arising from the cancellation, Seller may sell the same, crediting Buyer for the proceeds. Buyer will also pay the reasonable costs and expenses incurred by Seller in making a settlement hereunder and in protecting property in which Buyer has an interest.

Seller will defer manufacture or delivery of any articles only if and to the extent agreed to in writing.

8. Defaults: If Buyer shall fail to pay promptly when due any sum owing to Seller or to perform any agreement under this order or under any other order heretofore or hereafter placed with Seller or if Buyer shall be adjudicated bankrupt or insolvent or shall make an assignment for the benefit of creditors or if there shall be instituted by or against Buyer any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt or insolvency law of any jurisdiction or for the appointment of a receiver or trustee in respect of any of Buyer's property and, if any such proceeding shall be instituted against Buyer, it shall not be dismissed within 20 calendar days, or if Seller shall reasonably believe that Buyer is unable to meet Buyer's debts as they mature, then, and in any such event, Seller may, in addition to exercising any or all other rights that Seller may have, require payment of cash upon delivery, and Seller may, upon written notice to Buyer at any time, terminate all Seller's obligations under any one or more of such orders. Upon termination pursuant to this clause, Buyer shall thereupon become obligated to pay the same sum in respect to each such order as if such order had been cancelled by Buyer with Seller's consent and settlement had been made on the basis set forth in Paragraph 7 of these Terms and Conditions.

9. Warranties: The Seller warrants all products to be free from defects in material and workmanship under normal operating conditions and proper application in accordance with the current manufacturer's specifications for operation as specified below:

- Assembled Product (Power units, Pneumatic subassemblies, Structural framing, Hose assemblies, Electrical control enclosures, etc.) & Repaired Product (Pumps, Valves, Cylinders, Motors, etc.) – twelve (12) months after shipment date
- Vendor items – per manufacturers' warranty policy. Copies of such warranties will be furnished upon request.

Limitations on Warranty

This warranty is expressly in lieu of any other warranties expressed or implied, including any warranty of merchantability or fitness for a particular purpose.

Buyer's sole and exclusive remedy under this warranty shall be limited to the repair or exchange of warranted products at our option, F.O.B. our factory.

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If the Buyer or Agent grants any warranty greater in scope or time period or labor allowance, the Seller shall not be liable beyond the herein-stated limitations. Equipment and accessories not of our manufacture are warranted to the extent of the warranty of the original manufacturer.

No special, incidental, consequential or other damages shall be recoverable. The Seller shall not be liable for consequential damages or contingent liabilities including, but not limited to, loss of life, personal injury, loss of crops, loss due to fire or water damage, loss of business income, downtime, costs and trade or other commercial loss arising out of the failure of the product. The Seller will in no event be liable for any sum in excess of the price received by it for the product for which liability is claimed or associated.

No products shall be returned without prior authorization from The Seller. Buyer shall prepay all transportation charges for the return of such products to Seller's factory or factory service center. There will be no acceptance of any charges for labor and/or parts incidental to the removal and remounting of products repaired or replaced under this warranty.

The above warranty does not cover conditions over which we have no control, including, without limitation, contamination, pressures in excess of recommended maximum, products damaged or subjected to accident, abuse or misuse after shipment from our factory, products altered or repaired by anyone other than Airline Hydraulics personnel, or persons so designated in writing by the Seller prior to commencement of said work.

Types of failures which are not attributable to defects in materials and/or workmanship and which are not considered by the Seller as covered under the warranty, include, but are not limited to:

- Damages due to deterioration during periods of storage by the purchaser prior to installation and operation
- Damage of any kind from erosive or corrosive action of any gasses or liquids handled by the machinery
- Lack of or incorrect type hydraulic fluid
- Contamination of the hydraulic fluid
- Damage attributable to accident, abuse, neglect
- Stripped splines or keyways on drive shaft
- Incorrect mounting of external gears, pulleys, etc.
- Operating beyond the recommended maximum speeds, pressures, voltages or temperatures
- Use of the product in a manner or purpose for which it was not designed or intended.
- Repairs by unauthorized personnel
- Misalignment

10. Controlling Terms: Unless otherwise specifically agreed to by Seller in writing, all of the terms and conditions hereunder shall be the sole terms and conditions governing any purchase by Buyer from Seller. No modification of or addition to or waiver of any of the terms and conditions hereof will be effective unless agreed to in writing by Seller. If any terms on any of the Buyer's purchase orders conflict with any of the terms and conditions herein, the terms of this document shall be controlling. Any preprinted terms on the front or reverse of any Buyer's purchase order executed in connection with any purchase by Buyer from Seller shall be of no effect.

11. Indemnity and Hold Harmless: To the fullest extent permitted by law, the Buyer agrees to indemnify, hold harmless and defend the Seller, and its agents, employees, representatives, officers, directors, stockholders, members, managers and parent, subsidiary and affiliated companies (the "Indemnified Parties") from and against any claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the performance of the work, whether performed at the Buyer's site or not, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property (other than the work itself) including loss of use resulting there from, but only to the extent caused in whole or in part by negligent acts or omissions of the Buyer, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

12. Limitation of Seller's Liability: Except as may be provided, Seller's maximum aggregate liability to Buyer for breach of any and all terms, conditions, representations, covenants, obligations or other provisions of this agreement will not, individually or in the aggregate, exceed one hundred (100%) of the quoted and/or acknowledged price. Excluded from the foregoing limitation of Seller's liability to Buyer is the obligation to repair or replace defects in the work pursuant to Paragraph 9 above.

13. Confidential/Proprietary Information: Buyer and Seller hereby acknowledge that each may have access to confidential/proprietary information and trade secrets of the other party hereto. Therefore, Buyer and Seller covenant that, without the prior written consent of the other party, they shall not utilize or disclose any confidential/proprietary information or trade secrets disclosed to them by the other party, except in connection with their respective obligations under this agreement. The above nondisclosure restriction shall not apply to any information that (i) can be demonstrated by competent proof to have been known by the recipient at the time of receipt and reduced to writing; (ii) was subsequently otherwise legally acquired by such party from a third person having an independent right to disclose the information; (iii) is now, or later becomes, publicly known without breach of this agreement by either party; or (iv) is required to be disclosed pursuant to applicable law or legal process. Further, the parties covenant that, without the prior written consent of the other party, they shall not disclose any information relating to the terms of this agreement or the Work to any person other than the parties' agents, employees and representatives.

14. Applicable Law: Unless otherwise provided in writing by Seller, all purchases by Buyer from Seller and the performance of the parties hereunder are in all respects (including, but not limited to, all matters of interpretation, validity, performance, breach, and the consequences of breach) to be governed by and construed in accordance with the internal, substantive laws of the Commonwealth of Pennsylvania, excluding, and without regard to, its or any other jurisdiction's rules concerning any conflict of laws, as amended and now in effect.

15. Severability: The sections of this agreement are severable, and in the event any section or portion of the agreement shall be declared illegal or unenforceable, the remainder of the agreement shall be effective and binding on Buyer and Seller.

16. Waiver: Seller's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege, or Seller's waiver of any breach hereunder, shall not constitute a waiver of any other terms, conditions, privileges or rights, whether of the same or similar type.

17. Entire Agreement: This document shall constitute the entire and complete agreement between Buyer and Seller with respect to all matters contained herein, and they supersede all previous drafts, inquiries, offers, correspondence and the like between the parties with respect to the subject matters hereof.