

TERMS AND CONDITIONS OF PURCHASE BY PARTSSOURCE, INC.
September 1, 2009

1. **TERMS OF PURCHASE; ENTIRE AGREEMENT** – These terms and conditions of purchase are incorporated by reference into all purchase orders submitted by PartsSource, Inc. (the “Buyer”) for Buyer’s purchase of any and all components, parts accessories, products and/or services (the “Goods”) from Seller. The purchase order, together with these Terms and Conditions of Purchase, are referred to herein as the “Purchase Order” or this “Agreement.” Whether this Agreement is deemed an offer, an acceptance or a confirmation, Buyer expressly conditions its purchase of the Goods on Seller’s assent to these terms, notwithstanding any difference, additions or conflicting terms contained in the terms proposed by Seller. This Purchase Order contains the entire agreement between the Buyer and Seller. No Modifications or additions to the terms set out in this Purchase Order shall be valid unless in writing and signed by an authorized representative of Buyer and Seller. Seller is an independent contractor and under no circumstances may Seller represent itself as an agent for Buyer.
2. **ACCEPTANCE OF TERMS AND CONDITIONS OF PURCHASE ORDER** – This Purchase Order constitutes Buyer’s offer to Seller to buy Goods and shall become a binding agreement subject to the descriptions, terms and conditions set forth on both sides of this document upon acceptance by Seller. Seller’s acceptance shall be indicated either by Seller’s i) signing and returning the acknowledgement copy of the Purchase Order, ii) returning its order acknowledgement, which acknowledgement shall be deemed acceptance of these Terms and Conditions of Purchase, or iii) commencement of services or delivery of Goods, either in whole or in part, which commencement shall be deemed acceptance of these Terms and Conditions of Purchase.
3. **INSPECTION** – All Goods delivered hereunder shall be subject to final inspection and acceptance by Buyer at its facility or other location determined by Buyer notwithstanding prior payment or inspection at Seller’s facility. Acceptance of any Goods shall not alter or affect the warranties of Seller specified herein. Buyer may, at its option, either hold rejected Goods for Seller’s instructions and at Seller’s risk, or return them to Seller at Seller’s expense and require their correction or replacement, and Seller shall promptly reimburse Buyer for any and all damages sustained by Buyer, including freight costs, as a result of failure of Goods to conform to the provisions and specifications set forth on the Purchase Order.
4. **CANCELLATION OF PURCHASE ORDER** – Buyer shall have the right, at its option, to modify or cancel this Purchase Order or any part thereof, to refuse delivery of any Goods and to return to, or hold for the account of, Seller any Goods already received by Buyer: (i) upon Seller’s failure to make any delivery in accordance with the terms of the Purchase Order or to comply with shipping and instructions of Buyer, (ii) in the event that any Goods supplied by Seller : (a) do not meet specifications, (b) are defective, (c) are not satisfactory to Buyer, or (iii) on account of any unforeseeable cause beyond the control of Buyer, including any act or demand of the United States or any state or local government body, act of God or of the public enemy, terrorists, fire, flood, strike, embargo, failure of usual means of transportation and any other case which in the judgment of Buyer may adversely affect the sale of any Goods by Buyer. Buyer, in its discretion and without cause, reserves the right to cancel this Purchase Order or any part thereof, and Buyer’s sole responsibility to Seller shall be to pay the agreed price for such Goods as have been delivered as of the time such cancellation is effective and to reimburse Seller its actual costs of materials and direct labor expended by it in reasonable anticipation of its fulfillment of this Purchase Order which are not recoverable by Seller, provided that no allowance shall be made to Seller for any overhead or anticipated profit for undelivered Goods. Buyer’s maximum liability on account thereof shall be the agreed to price for the Goods, and Seller shall deliver to Buyer any inventory paid for by Buyer pursuant to the proceeding.
5. **SHIPMENTS** – Because Buyer’s business and operations are in material part dependent on receipt of the Goods that are the subject of this Purchase Order, timely delivery of the Goods is essential to the performance of Seller’s obligations hereunder. Unless otherwise specified on the face of this Purchase Order, terms of delivery of the Goods are F.O.B. destination with freight prepaid. Seller shall obtain adequate insurance at the time of shipment of the Goods to cover the maximum amount Seller requires for reimbursement if such Goods are damaged or lost during shipment. Seller shall accept as complete settlement for any claim Seller may have on damaged or lost shipments the amount paid by the insurance carrier. Buyer will have no liability for such claims. Deliveries shall be made at the times and of the quantities specified on the face of the Purchase Order, and Seller shall not, without the prior written consent of Buyer, make shipments in advance of such schedule. Buyer may order expedited in place of scheduled routing if necessary to meet schedule or to recover time lost by any delay, in which event any excess transportation costs shall be paid by Seller. Buyer may postpone delivery of any Goods covered hereby. Over shipments may be returned by Buyer at Seller’s expense or retained by Buyer at no increase in price. Seller shall not make any commitment or production arrangements in excess of the amounts, or in advance of the time, necessary to meet Buyer’s delivery schedule for Goods.
6. **PRICE; PAYMENT; TAXES** - The price for the Goods sold hereunder shall not be higher than that appearing on the face of the Purchase Order. Goods not priced on the Purchase Order will be supplied at the lowest price last charged by Seller for equal quantity, and shall not exceed current prices quoted or charged to any other customer of Seller for similar items and quantity. Seller will promptly refund to Buyer any amounts in excess of such price. Seller agrees that Buyer shall receive the benefit of any reduction in the price for any Goods or services in effect at the time of the shipment or delivery of furnishing thereof to Buyer and that, in any such case, the price provided in the applicable Purchase Order shall be reduced accordingly. It is understood that the cash discount period, if any, will date from the receipt of the Goods or from the date of the invoice, whichever is later. The price of the Goods sold hereunder shall not be due and payable until delivery and acceptance of the Goods. Seller shall separately state on all invoices and confirmations the applicable sales taxes imposed by federal, state or local governments, unless an exemption is applicable.
7. **WARRANTIES AND COMPLIANCE WITH LAWS** – Seller expressly warrants that each of the Goods provided pursuant to the Purchase Order shall be i) merchantable, ii) fit and safe for the purpose for which it was manufactured, iii) free from defects in material and workmanship, iv) manufactured in accordance with applicable specifications, drawings, samples and descriptions, v) in

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compliance with the manufacturer's original designs and/or specifications, vi) in compliance with FDA rules and regulations, and vii) if of Seller's design, shall be free from design defects. All such warranties shall extend to Buyer, its customers and any end-user. Seller also warrants that it has good title to the Goods supplied and that they are free and clear from all liens and encumbrances. Seller also warrants that the Goods purchased or provided hereunder have been produced and/or designed to comply and will comply with all applicable federal, state and local laws and standards in effect on the date of shipment, including, without limitation, the appropriate sections of the Occupational Safety and Health Standards Act and the U.S. Food, Drug and Cosmetic Act, as amended. These warranties shall survive acceptance and payment by Buyer. Goods not in accordance with these warranties may be returned to Seller and Seller shall pay freight both ways. Buyer shall have the option of returning such goods to Seller at any time after delivery for credit or replacement at the price charged. If Buyer elects to have the goods replaced and Seller is unable to supply a replacement within Buyer's time requirements under the same terms and conditions of the original purchase, then Buyer may purchase the replacements goods from a third party and Seller shall reimburse Buyer for the excess of the price paid to such third party over the price Buyer would have paid to Seller for the same goods. The foregoing shall not be in limitation of any rights which Buyer may have at law or in equity.

8. **PURCHASES MADE UNDER EXCHANGE TERMS** – If the Purchase Order from Buyer indicates that the offer to purchase Goods is on an “exchange basis” then Buyer intends to return to Seller a comparable Good being purchased under the Purchase Order. There shall be no warranty as to the quality or reparability of such returned exchange item by Buyer. Seller shall bear the risk as to the reparability of such item. Buyer will not be liable for any additional amounts other than as stated on its Purchase Order as long as a comparable Good is returned. If the Good returned as the exchanged item is not comparable or is not returned at all by Buyer, then the maximum liability that Buyer will be responsible for is the lesser of (a) the difference between the quoted price to purchase the Good with no exchange terms (“Outright Purchase Price”) from Seller and the price for the Good on the face of the Purchase Order or (b) if no Outright Purchase Price is available from Seller then the difference between the then current OEM Outright Purchase Price and the price for the Good on the face of the Purchase Order. In no event will Buyer be liable for any amount above the then current OEM Outright Purchase Price for such Good.
9. **INDEMNIFICATION** – Seller agrees to indemnify, defend and hold harmless Buyer, its affiliated companies, and its officers, directors, agents and employees, from and against any and all loss, cost, liability, penalties, judgments, damage and expense (including without limitation reasonable attorneys' fees and other costs of litigation) arising out of or in connection with any Goods provided by Seller or Seller's performance hereunder, for or on account of i) any injury, death or damage to person or property or any claim thereof, ii) any use, infringement or claim of infringement or alleged infringement, of any patent, copyright, design, process, trademark, trade name, service mark, trade secret or other intellectual property rights, and iii) any litigation based on or as a result of any of the foregoing.
10. **CONFIDENTIAL INFORMATION AND PUBLICITY** – Seller agrees to hold in strict confidence any confidential information disclosed to Seller by Buyer and to make no use of such information other than that authorized by Buyer. Advertising and promotional material (including the use of Buyer's name) must be approved by Buyer in writing prior to release.
11. **GENERAL**
 - a. **Waiver** – A waiver of strict compliance with any provision of the Purchase Order shall not be deemed a waiver of any subsequent breach or failure, nor of Buyer's right to insist on strict compliance thereafter.
 - b. **Severability** – In the event that any provision of the Purchase Order is for any reason held to be invalid or unenforceable or contrary to public policy, such provision shall be treated as severable, leaving valid the remainder of the Purchase Order.
 - c. **Assignment** – Seller shall not assign the Purchase Order, or any part thereof, without written consent of Buyer. Such consent shall not release Seller from its obligations and liabilities. Any and all rights, benefits and privileges under the Purchase Order including without limitation, the benefit of any and all warranties, shall inure to the benefit of any parent, subsidiary or other affiliated corporation of Buyer to whom the Goods or services described herein, or any part thereof, shall be delivered or furnished or transferred, whether such delivery, furnishing or transfer shall be accomplished by Buyer or Seller or otherwise.
 - d. **Enforcement** – In the event Buyer takes or maintains any action to enforce its rights hereunder and prevails and/or obtains a successful result thereafter, Seller shall reimburse Buyer for its reasonable costs and expenses incurred, including, without limitation, reasonable attorneys' fees.
 - e. **Set-Off** – Buyer shall be entitled at all times to set off any amount owing at any time from Seller to Buyer against any amount payable at any time by Buyer.
 - f. **Record Retention** – Upon the written request of the Secretary of Health and Human Services or the Comptroller General, or any of their duly authorized representatives, Seller will make available those books, records and accounts of the transactions made with Buyer to verify the nature and extent of costs of providing services under this Agreement. Such inspection shall be available for up to four years after the rendering such services.
 - g. **Governing Law** – The Purchase Order and the contract resulting from Seller's acceptance hereof shall be construed in accordance with and governed by the laws of the State of Ohio, without regard to its conflict of law principles. Seller and Buyer hereby further consent to the personal jurisdiction of the state and federal courts in the State of Ohio in connection with the disposition of any controversy or action relating to or in any manner arising out of this Purchase Order, waive any argument that personal jurisdiction and venue in such forms is not proper or convenient for any reason, and agree that any litigation initiated either by Seller or Buyer shall be venued in a court located in either Portage or Cuyahoga Counties.