Offer of Sale

The items described in this document and other documents and descriptions provided by Parker Hannifin Corporation, its subsidiaries and its authorized distributors ("Seller") are hereby offered for sale at prices to be established by Seller. This offer applies to any customer ("Buyer") to be governed by all of the following Terms and Conditions. Buyer's order for any item described in its document, when communicated to Seller, shall constitute acceptance of this offer. All goods, services or work described will be referred to as "Products".

1. Terms and Conditions. Seller's willingness to offer Products, or accept an order for Products, is subject to Buyer's understanding and acceptance of the terms and conditions of this offer. Buyer is subject to the better terms and conditions of the latest version of the terms and conditions found on line at www.parker.com/saleterms/.

2. Price Adjustments; Payments. Prices stated on Seller's quote or other documentation offered by Seller are valid for 30 days, and do not include any sales, use, or other taxes unless specifically stated. Unless otherwise specified by Seller, all prices are F.O.B. Seller's plant (see SELLER TERMS 2010). Payment is subject to credit approval and is due 30 days from the date of invoice or such other term as required by Seller's Credit Department, after which Buyer shall pay interest on any unpaid invoices at the rate of 1.5% per month or the maximum allowable rate under applicable law.

3. Delivery Dates; Title and Risk; Shipment. All delivery dates are approximate and Seller shall not be responsible for any damages resulting from any delay. Regardless of the manner of shipment, title to any products and risk of loss or damage shall pass to Buyer upon delivery. Any carriers will be considered as independent contractors and any representation otherwise, Seller shall retain a security interest in the goods delivered and this agreement will be governed by all of the following Terms and Conditions. Buyer objects to any contrary or additional terms or conditions of Buyer's order or any other document or contract furnished by Buyer.

4. Warranty. Seller warrants that the Products sold hereunder shall be free from defects in material and workmanship for a period of six months from the date of delivery to Buyer. The prices charged for Seller's products are based upon the exclusive limited warranty stated above, and upon the following disclaimer: DISCLAIMER OF ANY IMPLIED WARRANTIES. Seller disclaims any warranty of merchantability for the sole and exclusive purpose of reselling products to Buyer, and this agreement on the sole and exclusive warranty pertaining to products provided hereunder. SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO ANY LIABILITY FOR INCENTIVE OR CONSEQUENTIAL DAMAGES arising out of, or as the result of, the sale, delivery, non-delivery, non-performance, or defects in the Products. The Products are not test units, and Buyer's use of the Products shall be solely at Buyer's risk.

5. Claims; Commencement of Actions. Seller shall promptly inspect all Products upon delivery. No claims for shortages will be allowed unless reported to the Seller within 10 days of delivery. No other claims against Seller will be allowed unless asserted in writing within 30 days after delivery. Buyer shall notify Seller of any alleged breach of warranty within 30 days after the date the defect is or should have been discovered by Buyer. Any action based upon breach of this agreement or upon any other claim against Seller for any reason and at any time by giving Buyer thirty (30) days written notice of termination. Seller may immediately terminate this agreement, in writing, if Buyer: (a) commits a breach of any provision of this agreement, or (b) appoints, receives or consents to the liquidation of Buyer's property (c) files a petition for relief in bankruptcy on its own behalf, or by a third party (d) makes an assignment for the benefit of creditors, or (e) dissolves or liquidates all or a majority of its assets.

6. LIMITATION OF LIABILITY. UPON NOTIFICATION, SELLER WILL, AT ITS OPTION, REPLACE OR REFUND A DEFECTIVE PRODUCT, OR REFUND THE PURCHASE PRICE. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE SALE, DELIVERY, ACCEPTANCE, INDELIVERY, SERVICING, USE OR LOSS OF USE OF THE PRODUCTS OR ANY PART THEREOF, OR FOR ANY DAMAGES OR EXPENSES OF ANY NATURE INCURRED BY BUYER OR ANY PERSON, OR ANY LOSS, DAMAGE, OR INJURY SUSTAINED BY OR CAUSED TO ANY OTHER PROPERTY OR PERSON AS A RESULT OF THE PURCHASE OR USE OF THE PRODUCTS. IN NO EVENT SHALL SELLER'S LIABILITY UNDER ANY CLAIM MADE BY BUYER EXCEED THE PURCHASE PRICE OF THE PRODUCT.

7. User Responsibility. The user, through its own analysis and testing, is solely responsible for making the final selection of the system and Product and assuring that all performance, endurance, maintenance, safety and warning requirements of the applicable industry standards and Product information. If Seller provides Product or system options, the user is responsible for determining that such data and specifications are adequate and sufficient for all applications and reasonably foreseeable uses of the Products or systems.

8. Loss to Buyer's Property. Any designs, tools, patterns, materials, drawings, confidential information or equipment furnished by Buyer or any other items which become Buyer's property will be returned to Buyer, or disposed of according to Buyer's written instructions. Any designs, tools and patterns made for Buyer or otherwise agreed to by Seller shall have the right to alter, discard or otherwise dispose of any special tooling or other property in its sole discretion at any time.

9. Special Tooling. A tooling charge may be imposed for any special tooling, including without limitation, dies, fixtures, molds and patterns, acquired to manufacture Products. Such special tooling shall be and remain Seller's property notwithstanding payment by Buyer. In no event will Buyer acquire any interest in appurtenances belonging to Seller which is utilized in the manufacture of the Products, even if such apparatus has been specially converted or adapted for such manufacture and no such apparatus is disposed of by Buyer. Seller has the right to alter, discard or otherwise dispose of any special tooling or other property in its sole discretion at any time.

10. Buyer's Obligation; Rights of Seller. To secure payment of all sums due or other obligations, Buyer shall indemnify, defend, and hold Seller harmless from any claim, liability, damages, lawsuits, and costs (including attorney fees), whether for personal injury, property damage, patent, trademark or copyright infringement or any other claim, brought by or incurred by Buyer, Buyer's employees, or anyone else acting in accordance with Buyer's written instructions, or otherwise or of, Buyer; (c) Seller's use of patterns, plans, drawings, or specifications furnished by Buyer to manufacturer Product; or (d) any breach of this agreement or any other term or condition of this agreement. Seller shall not indemnify Buyer under any circumstance except as otherwise provided.

12. Cancellations and Changes. Orders shall not be subject to cancellation or change by Buyer for any reason, except with Seller's written consent and upon terms that will indemnify, defend and hold Seller harmless against all direct, incidental and consequential loss or damage. Seller may change product features, specifications, designs and availability with notice to Buyer.

13. Limitation on Assignment. Buyer may not assign its rights or obligations under this agreement without the prior written consent of Seller.

14. Force Majeure. Seller does not assume the risk and shall not be liable for delay or failure to perform any of Seller's obligations by reason of circumstances beyond the reasonable control of Seller (hereinafter "Events of Force Majeure"). Events of Force Majeure shall include without limitation: accidents, strikes or labor disputes, acts of any government or government agency, acts of nature, delays or failures in delivery from suppliers or carriers, shortages of materials, or any other cause beyond Seller's reasonable control.

15. Waiver and Severability. Failure to enforce any provision of this agreement will not be construed as a waiver or abandonment of the right or enforcement of any other provision in the future. Invalidation of any provision of this agreement by interpretation or other rule of law shall not invalidate any other provision herein. The remaining provisions of this agreement will remain in full force and effect.

16. Indemnity for Infringement of Intellectual Property Rights. Seller shall have no liability for infringement of any patents, trademarks, copyrights, trade dress, trade secrets or similar rights except as provided in this Section. Seller will defend and indemnify Buyer against allegations of infringement of United States patents, trademarks, copyrights, trade dress and trade secrets ("Intellectual Property Rights"). Seller will defend at its expense and will pay the cost of any settlement or damages awarded in any action brought against Buyer based on an allegation that a product sold pursuant to this Agreement infringes the Intellectual Property Rights of a third party. Seller's obligation to defend and indemnify Buyer is contingent on Buyer notifying Seller within ten business days of the notice of such action and Seller having sole control over the defense of any allegations or actions including all negotiations for settlement or compromise. If a Product is subject to a claim that it infringes the Intellectual Property Rights of a third party, Seller may, at its sole expense and option, procure for Buyer the right to continue using the Product, replace or modify the Product so as to make it noninfringing, or offer to accept return of the Product and return the purchase price less a reasonable allowance for depreciation. Notwithstanding the foregoing, Seller shall have no liability for claims of infringement based on information provided by Buyer, or directed to Products delivered hereunder for which the designs are specified in whole or part by Buyer, or infringements resulting from the modification, combination or use in a system of any Product sold hereunder. The foregoing provisions of this Section shall constitute Seller's sole and exclusive liability and Buyer's sole and exclusive remedy for infringement of Intellectual Property Rights.

17. Entire Agreement. This Agreement contains the entire agreement between the Buyer and Seller and constitutes the final, complete and exclusive expression of the terms of sale. All prior or contemporaneous written or oral agreements or negotiations with respect to the subject matter are herein merged.

18. Provisions of Law, U. K. Bribery Act and U.S. Foreign Corrupt Practices Act. Buyer agrees to comply with all applicable laws and regulations, including both those of the United Kingdom and the United States of America, and of the country or countries of the Territory in which Buyer may operate, including without limitation the U. K. Bribery Act, the U. S. Foreign Corrupt Practices Act ("FCPA") and the U. S. Anti-Kickback Act (the "Anti-Kickback Act"), and agrees to indemnify and hold harmless Buyer from the consequences of any violation of such provisions by Buyer, its employees, or anyone else acting on or at Buyer's request or direction, or to any governmental, official, any foreign political office or official thereof, any candidate for foreign political office, or any commercial entity or person, for the purpose of influencing such person to purchase products or otherwise benefit the business of Seller.