

STANDARD TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE: These Standard Terms and Conditions of Purchase shall be part of the Purchase Order. The term "Buyer" as used herein shall mean the Colfax Fluid Handling company/ companies that is the buyer of the products being purchased from Seller hereunder. Acceptance of this order and each of its terms and conditions will be evidenced by the Seller's execution of the acknowledgement copy hereof, or by the Seller's commencement of performance or shipping. Unless otherwise specifically indicated by Buyer, on the purchase order, this order is not an acceptance of any offer, quotation or proposal made by Seller, and any reference thereto is made solely for the purpose of specifying prices and the nature and description of the goods and services ordered. This order is conditional upon acceptance by Seller of the terms and conditions herein contained. Any other additional or different terms shall be deemed objected to by Buyer without need of further notice of objection, and shall be of no force or effect. No variations in the delivery schedule, price, quantity, specifications or other provisions of this order, and no new additional or different terms or provisions, will be binding on Buyer unless agreed to in writing and signed by Buyer's purchasing agent or other authorized representative.

2. ACKNOWLEDGEMENT: The acknowledgement copy of this order must be returned promptly to Buyer. Shipment and/or delivery must be made to agree with the schedule as recorded on the face of this order or if the Seller cannot meet Buyer's requested schedule, Seller must so state on the acknowledgement copy indicating thereon the best schedule that can be met, which Buyer may accept or reject.

3. DELIVERY SCHEDULE: Unless otherwise agreed to in writing, Seller shall not make material commitments or production arrangements in excess of the amount ordered or in advance of the time necessary to meet Buyer's delivery schedule. It is the Seller's responsibility to comply with this schedule, but not to anticipate Buyer's requirements. Goods shipped to Buyer in advance may be returned to Seller at Seller's expense or payments of invoices may be withheld until the required delivery dates, unless specific written authorization is granted by Buyer for the advanced delivery. If payment of invoices is withheld, they will be discounted in the usual way, effective from the required delivery date. Partial shipments of material where no partial shipment is specified may be returned to Seller at Seller's expense unless specific written authorization is granted by Buyer for partial delivery or payment of invoices may be withheld until order is complete. Discount terms will be calculated from the date the final invoice is received or from the date material is received completing the order, whichever is later.

4. CHARGES: This order may not be filled at prices higher than quoted or heretofore charged or at price in effect at time of

shipment, without the written consent of Buyer. The Seller warrants that no prices or other charges to Buyer hereunder will be in violation of any price control regulation of the United States Government. No charges of any kind, including charges for boxing or cartage will be allowed unless specifically authorized by Buyer in writing. Transportation charges on material or articles furnished under this purchase order shall be in accordance with the carrier's tariffs lawfully in effect at the time shipments are moved or the services performed.

5. TAXES: The prices stated herein include all present and future taxes applicable to this order, and the same shall be paid by Seller, excepting only that the State sales tax as designated on the face of the order will be paid by Buyer if "Not for Resale" is indicated on the face of the order.

6. INSURANCE: Until delivery to Buyer, the Seller shall assume the risk for Buyer's equity in the materials to be supplied under the terms of this Purchase Order. The usual forms of "all risk" insurance shall be maintained in an amount at least equal to their value and in no event less, at any time, than the aggregate of all the amounts paid the Seller on account thereof. Such insurance policies shall provide that all claims for losses thereunder shall be paid to Buyer or the Seller, as interest may appear, and shall be delivered to Buyer upon request. If this order deals with construction, repairs or maintenance (including painting) or any building, equipment or machinery located on the premises of Buyer, or any other activity requiring the presence of Seller, its employees, agents or subcontractors on the premises of Buyer, the Seller waives as against Buyer, any claims or causes of action for damages or injury to persons or property arising out of its performance of the work hereunder or of its presence on the premises of Buyer, and Seller shall (i) maintain and carry public liability, workmen's compensation, and employer's liability insurance covering all employees engaged in the performance of the work hereunder and all other persons that are on the property of Buyer at the invitation of the Seller: (ii) indemnify, defend and save Buyer harmless from and against loss, damage, liability, claims, causes of action, or liens arising out of injury (or death) to person or property resulting directly or indirectly from the Seller's performance of the work or from the presence of the Seller, its employees, agents, or subcontractor, on the premises upon which the work is done: and (iii) indemnify Buyer against any loss or claim arising from the workmanship or the material furnished by the Seller.

7. SPECIFICATIONS AND WARRANTY: The Seller expressly warrants to Buyer and to Buyer's successor in interest to the goods or services that all materials, articles, or work covered by this order will conform to and comply with the terms of this order and to the applicable specifications and standards incorporated herein, will be suitable for the intended use, if such use is disclosed to Seller or is otherwise known to Seller, will be of merchantable kind and will be free from defects. The

Sellers agrees all materials or articles or work or any part there of found defective within one year after delivery to Buyer or to its customer, whichever be later, will be replaced, without charge, if requested by Buyer. The foregoing warranty shall apply to all repairs or replacements and shall extend for one year from completion of such repair or replacement. Such warranties are in addition to any other warranty, express or implied, or service guarantee of Seller.

8. INSPECTION: All material and articles will be new unless otherwise specified, and all materials and workmanship shall be subject to inspection and approval by Buyer, its assigned inspection agencies and/or the Government. Final inspection will be made after receipt by Buyer; if rejected, the goods will be held for disposition at the Seller's risk and any expense or payment on account thereof will be promptly by the Seller without prejudice to any other rights of Buyer under warranties or otherwise. Any inspection or approval at the Seller's plant or elsewhere during or after manufacture, whether or not such inspection or approval be provided for by the terms of this purchase order, shall be provisional only, and shall not constitute final acceptance or be construed as a waiver of the foregoing right of inspection and approval or rejection after receipt of the materials or articles by Buyer.

9. BUYER PROPERTY: Buyer patterns, specifications, drawings, tools and dies shall not be used for any purpose other than supplying Buyer's requirements without Buyer's consent and shall remain Buyer's property, shall be kept in good condition by Seller, and upon request shall be promptly delivered to Buyer.

10. NO ASSIGNMENT OR SUBCONTRACTING: This order, or any rights thereunder, may not be assigned or hypothecated, and none of the work which Buyer contemplates being performed by Seller shall be subcontracted, without Buyer's prior written consent: and, if and when subcontracting is allowed, Seller shall continue to comply with, and be bound by, all provisions of this order.

11. LAWS & REGULATIONS: Seller agrees to comply with all Federal, State and local laws, ordinances, rules and regulations which may be applicable; and, upon request, Seller shall certify to such compliance. Seller shall manufacture the goods covered by this order so as to comply with the Federal Occupational Safety and Health Act of 1970 and with the standards promulgated pursuant thereto, if and to the extent applicable. Seller warrants that the articles ordered were, or will be, produced, and all services will be performed, in compliance with the Fair Labor Standards Act of 1938, as amended. If and to the extent applicable, Seller shall comply with the provisions of, and the rules and regulations issued pursuant to: Executive Order #11141, Non-Discrimination because of age; Executive Order #11246, Equal Employment Opportunity; Executive Orders #11458 and #11625, Utilization of Minority Business Enterprises; Executive Order #11701, Listing of Job Openings for Veterans; USC 4212 Section of the Vietnam ERA Veterans Readjustment Assistance Act of 1974; the affirmative action clause for covered veterans (41 CFR § 60-300); Section 503 of

the Rehabilitation Act of 1973, Employment of Handicapped Persons; and the affirmative action clause for disabled workers (41 CFR §60-741); as any of the same have been, or may be, revised or amended from time to time. Seller agrees to file Standard Form 100 (EEO-1) and the VETS-100A report. The contractor agrees to comply with 29 CFR Part 471, Appendix A to Subpart A. Every provision of the applicable Executive Orders, rules, regulations and laws which is required to be incorporated in contracts of this kind is incorporated herein by reference and shall have the same force and effect as if herein set forth in full.

IN ADDITION TO THE ABOVE, THE CONTRACTOR AND SUBCONTRACTOR SHALL ABIDE BY THE REQUIREMENTS OF 41 CFR § 60-1.4(a), 60-300.5(a), AND 60-741.5(a). THESE REGULATIONS PROHIBIT DISCRIMINATION AGAINST QUALIFIED INDIVIDUALS BASED ON THEIR STATUS AS PROTECTED VETERANS OR INDIVIDUALS WITH DISABILITIES, AND PROHIBIT DISCRIMINATION AGAINST ALL INDIVIDUALS BASED ON THEIR RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY OR NATIONAL ORIGIN. MOREOVER, THESE REGULATIONS REQUIRE THAT COVERED PRIME CONTRACTORS AND SUBCONTRACTORS TAKE AFFIRMATIVE ACTION TO EMPLOY AND ADVANCE IN EMPLOYMENT INDIVIDUALS WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, NATIONAL ORIGIN, PROTECTED VETERAN STATUS OR DISABILITY.

12. TITLE: The Seller warrants that at the time of delivery to Buyer of the articles called for by this order and/or at the time payment is made by Buyer on account of such articles or on account of any material equipment, supplies, or other property to be incorporated in the articles, or on account of any work, labor, or services, there shall be no liens in rem of any kind lying or attached upon or against any such articles and materials; and as a condition precedent to any payment the Seller shall, upon Buyer request, furnish such affidavits and other documents and agreements with respect to liens and rights in rem as Buyer may require.

13. PATENTS, TRADEMARKS AND COPYRIGHTS: The Seller shall defend at Seller's expense and pay costs and damages awarded in any suit brought against Buyer or its customers based on the use or sale of articles constituting actual or alleged infringement of any patent, trademark, copyright or other intellectual property rights of any third party.

14. INDEMNIFICATION: The Seller agrees to indemnify defend and hold Buyer free and harmless from any and all claims for damages caused to persons or property as a result of defects in the items covered by this order; and from any and all liability, loss or damage arising out of any act or omission of Seller, or its agents or employees, or out of Seller's failure to comply with any applicable laws, or governmental and regulations, or with any of these terms and conditions.

15. NOTICE OF DELAYS: Whenever any actual or potential

cause delays or threatens to delay performance of this order, Seller shall immediately notify Buyer in writing. Such notice shall include all relevant information concerning such cause or delay and its background. Seller shall keep Buyer advised during the period such actual or potential cause exists of its effect on the schedule of work and shipments or deliveries and of the measures being taken to remove it.

16. CHANGES: Buyer may at any time, by written order, without notice to any surety, make changes or additions in or to drawings, designs, specifications, instructions for work, method of shipment or packing, or place of delivery; and Seller shall forthwith proceed with its work under the contract as changed. If any such change causes an increase or decrease in the cost of, or the time required for, performance under the order, Seller shall notify Buyer in writing immediately and an appropriate equitable adjustment will be made in the price, or time of delivery, or both, by written modification of the contract. Seller's failure to assert a written claim for adjustment within 30 days after Seller's receipt of Buyer's change order shall constitute a waiver of such claim.

17. CANCELLATION: All shipping or delivery dates in this order are firm. Time is of the essence in performance of this order, and no acts of Buyer shall constitute a waiver of this provision. Buyer, without waiving any other rights, reserves the right to cancel this order, in whole or in part, by written notice, without liability, except for goods previously delivered and accepted. Subject to setoff of any claim Buyer may have against Seller, if (i) Seller fails to deliver or perform as specified, or if Seller breaches any of the terms or conditions or warranties hereof, or (ii) Seller ceases to conduct its operations in the normal course of business (including inability to meet its obligations as they mature), or any proceeding is brought against or instituted by Seller under bankruptcy or insolvency laws, or a receiver for Seller is appointed or applied for, or any assignment for the benefit or creditors is made by Seller, then Buyer may, at any time, terminate this order, in whole or in part, for its convenience upon written notice to the Seller, in which event, upon receipt of such notices, unless otherwise directed by Buyer, Seller shall immediately discontinue all work and the filling of orders for materials and supplies in connection with the performance of this purchase order, and shall proceed to cancel promptly all orders outstanding and Buyer shall negotiate with the Seller an amount to be paid in full settlement for the reasonable and necessary out of pocket expenses incurred directly incident to this order up to the date of cancellation. Buyer, however, shall not be liable for any loss of profits on this order or the portion thereof so cancelled. If such cancellation is caused by termination of a government contract, Buyer will reimburse the Seller to the extent that reimbursement, if any, received by Buyer from the government on account of termination of its contract is attributable to this order.

18. INVOICE: A separate invoice for each shipment, bearing the Buyer order number, must be mailed promptly. When a shipment made by another concern is invoiced by Seller, the invoice, and

other papers, must bear the name of the shipper and point from which shipment originated.

19. PAYMENT: Payment of net and discount invoices will be calculated from the date acceptable invoices conforming to the order are received at Buyer's designated offices, or from the date of receipt of acceptable goods at Buyer, whichever is later.

20. SHIPPING: Unless otherwise instructed, the Seller shall prepay all transportation and related shipping charges and shall itemize such charges on the invoice. In the absence of specific routing instructions, shipments are to be made "Best Way". Buyer purchase order number and other identification specified shall appear conspicuously on all documents, shipping notices, bills of lading, packing lists, invoices and other papers, and on each package, box, keg, bale, bundle or other type of container. Local and warehouse shipments of steel and bar stock, and the like, must be marked or tagged with the name of the shipper and shipping point to facilitate prompt identification upon receipt. All goods shall be packaged and packed adequately to assure arrival at destination in an undamaged condition. All export shipments must be boxed and contents rust proofed and otherwise protected to prevent damage in transit and meet all export shipping requirements.

21. GOVERNMENT CONTRACT PROVISIONS: If indicated on the face of the order that the goods or services covered by this order are for the use of Buyer in performing any U.S. Government Agency contract, or for performance of a subcontract under such contract, then, and in that event, the Seller agrees to perform in accord with, to abide by, and to comply with, all of the applicable provisions of Title 48 of the Code of Federal Regulations ("CFR") relating to procurement by U.S. Government Agencies; as in effect as of the date of the prime contract, including without limitation the provisions incorporated by reference into this order, in [Attachment A](#) hereto.

22. COST ACCOUNTING STANDARDS: When specifically set forth on the face of the purchase order, Seller shall comply with Public Law 100-679, dated 1988, and all of the rules, regulations and standards prescribed by the Cost Accounting Standards Board, including Federal Acquisition Regulation (FAR) Chapter 99. Seller agrees to indemnify and hold Buyer free and harmless from any and all liability, loss or damage arising out of failure of Seller, or Seller's subcontractors, if any, to comply with said law, rules, regulations or standards, as the same may be revised or amended from time to time.

23. GLOBAL TRADE COMPLIANCE: Seller shall comply with all applicable export and import laws, as well as anti-bribery and anti-corruption laws, including without limitation, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010, and any applicable domestic anti-corruption laws. In all cases the Seller must provide an invoice and a packing list, and if applicable duty preferential program declaration or statement. The invoice shall be in English or translated and include: Seller

and the Buyer's contact details; the Buyer's order number, order line item and part number; detailed description of the goods and materials; unit purchase price in the currency of the transaction; quantity; INCOTERM; the named location; and the country of origin, the appropriate Harmonized System (HS) tariff code and Export Control Number (ECN) code for each item as determined by the exporting country's laws.

24. CONFLICT MINERALS: Pursuant to the requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and Form SD associated with Section 13(p) of the Securities Exchange Act of 1934, Seller must comply with the Colfax Conflict Minerals Policy found at <http://ir.colfaxcorp.com/governance.cfm> under the Supply Chain Standards tab and with all expectations and requirements mandated thereunder. The Colfax Conflict Minerals Policy applies, regardless of form and location of ownership, to all Buyer suppliers of materials or products consisting of or containing "conflict minerals" (cassiterite, columbite-tantalite (coltan), gold and wolframite and the following derivatives: tantalum, tin and tungsten). These requirements must also be passed through by Seller to all of its suppliers of materials or products containing conflict minerals within the Seller's supply chain for materials or products purchased by Buyer. Failure to cooperate regarding these requirements could lead Buyer to source from alternative suppliers.

25. GENERAL: This purchase order, and any documents incorporated herein by reference supersede all prior understandings, transactions and communications, or writings, with respect to the matters referred to herein, and constitute the sole and entire agreement between the parties. Any representations, promise, course of dealing or trade usage, not contained or referenced herein, shall not be binding on Buyer. No modifications, amendment, rescission, waiver, or other change shall be binding on Buyer unless agreed to in writing by Buyer. All warranties herein shall be construed as conditions as well as warranties, and the warranties and conditions herein contained shall not be deemed to be exclusive.

26. APPLICABLE LAW: The rights and obligations of the parties shall be governed in all respects by the laws of the State of New York, excluding its conflicts of laws principles. The application of the United Nations Convention on Contracts for the International Sale of Goods is hereby excluded. All disputes arising under this Agreement shall be settled by arbitration. The arbitration shall be conducted in accordance with the rules and procedures of the American Arbitration Association and any award or adjudication rendered thereby shall be final and binding upon the parties. The language to be used in the arbitral proceedings shall be the English language. The arbitration shall take place in the City of New York in the State of New York.