All sales of Hardinge Products are subject to the following Terms and Conditions of Sale.

1. Definition. The word “Seller” as used herein shall mean Hardinge Inc. and the word “Buyer” as used herein shall mean any person, firm, company, or corporation to which the Seller is selling any Hardinge Product provided that such “Buyer” shall mean and include any and all persons or corporations which may hereafter be designated in writing as successors, assignees, transferees, or other parties in interest. The term “Product” means new machines, parts, collets, fixed fingers and any other new equipment sold by Seller.

2. Acceptance. All Contracts and orders are subject to final acceptance at the Home Office of the Seller at Elmira, New York.

3. The terms and conditions herein contain, any additional “Supplement to Terms and Conditions of Sale,” and terms and conditions stated in the Seller’s quotation shall constitute the only agreement between the Seller and the Buyer. Any terms and conditions originating with the Buyer are hereby expressly rejected and shall not become part of the contract between the Buyer and the Seller unless specifically accepted in writing by a duly authorized officer of the Seller. The Seller’s quotation is made subject to prior sales to third parties. In any event, said quotation will become void if not accepted by the Buyer within 30 days from the date of the offer.

Seller reserves the right to hold shipment of telephone or oral orders until written confirmation has been received from Buyer. Buyer assumes full responsibility for inaccurate or incomplete data supplied on special orders.

4. Prices are subject to change without notice at any time and are based on the applicability of the Terms and Conditions set forth herein. Should the Buyer desire other or different items, that is readily applicable to the Buyer. The Seller reserves the right to cancel Buyer’s order in the event that (a) any government price regulation, schedule or ceiling prescribes a price lower than Seller’s price as listed in the order confirmation, or, in any way prevents Seller from purchasing or otherwise acquiring any commodity or service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices (or the cost of any such commodity or service is increased and, (b) in the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.

5. The terms of the order are subject to and shall be governed by the rules and regulations of the United States Department of Commerce. The terms of the order are subject to the Rules and Regulations of the United States Department of Commerce. The rules and regulations of the United States Department of Commerce, including applicable tariff schedules, are to be followed. In the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.

6. Unless otherwise specified in the Seller’s quotation, the terms of payment shall not be cash thirty (30) days from date of invoice and are subject to credit approval by Seller's credit department prior to order execution. The order price of any order of parts will be ten percent (10%) down upon receipt of the order by the Seller with the balance due upon shipment from the Seller’s facility. An additional down payment or progress payments, as determined by the Seller, may be required for certain orders. The Buyer also reserves the right to require a Uniform Commercial Code (UCC) Financing Statement for all major machine purchases not fully paid for prior to shipment from seller premises.

7. In cases where shipment of a completed Product is delayed at request of Buyer, Seller reserves right to issue the final invoice for the Product as of the date it becomes ready for shipment. Late charges at the rate of 1½% per month (18% annually) may be charged on past due accounts.

8. Foreign. Unless otherwise specified in the quotation and upon Seller’s acceptance of the order, the terms of payment shall be at Seller’s elected foreign bank in United States Dollars. Letter of Credit to be established through and confirmed by a New York bank and shall provide for payment against Seller’s draft accompanied by a commercial invoice and Buyer’s full and final acceptance of the goods which are not subject to collection from Buyer will be added to the invoice or billed separately to the Buyer.

9. Taxation. The terms of the order are subject to and shall be governed by the rules and regulations of the United States Department of Commerce. The terms of the order are subject to the Rules and Regulations of the United States Department of Commerce, including applicable tariff schedules, are to be followed. In the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.

10. Production Estimates. Actual Production figures and particular amounts are estimates based on Seller’s understanding of the machinery needed and amount of material to be removed, accuracy desired, available facilities, operator skill, and other specified factors affecting production and, do not constitute a guarantee of production.

11. Delivery. The quoted delivery dates are approximate and a more specific date will be established upon the Seller’s acceptance of Buyer’s order. Delivery dates are subject to revision at any time due to causes beyond the Seller’s control. These would include, but not be limited to, delay in receipt of purchaser’s signed order or complete specifications, fire, shortages of material, transportation delays, strikes, work stoppage, lockout, circumstances not in the control of Seller or any action by any government agency, and any or prior or radial or any system imposed by authority of any government agency. Seller shall not be liable for any damages arising, in any way, from any late delivery or non-delivery.

12. Delivery to a common carrier or licensed trucker constitutes tender of delivery, passing of title and risk of loss to the Buyer and all risk of loss or damage in transit shall be borne by the Buyer. In no event shall the Seller be liable for any payment after claim is rejected and shall not become part of the contract between the Buyer and the Seller unless specifically accepted in writing by a duly authorized officer of the Seller. The Seller’s quotation is made subject to prior sales to third parties. In any event, said quotation will become void if not accepted by the Buyer within 30 days from the date of the offer.

Seller reserves the right to hold shipment of telephone or oral orders until written confirmation has been received from Buyer. Buyer assumes full responsibility for inaccurate or incomplete data supplied on special orders.

13. Acceptance. All Contracts and orders are subject to final acceptance at the Home Office of the Seller at Elmira, New York. When the cost of any such commodity or service is increased and, (b) in the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.

In cases where shipment of a completed Product is delayed at request of Buyer, Seller reserves right to issue the final invoice for the Product as of the date it becomes ready for shipment. Late charges at the rate of 1½% per month (18% annually) may be charged on past due accounts.

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15. Taxation. The terms of the order are subject to and shall be governed by the rules and regulations of the United States Department of Commerce. The terms of the order are subject to the Rules and Regulations of the United States Department of Commerce, including applicable tariff schedules, are to be followed. In the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.

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18. Delivery to a common carrier or licensed trucker constitutes tender of delivery, passing of title and risk of loss to the Buyer and all risk of loss or damage in transit shall be borne by the Buyer. In no event shall the Seller be liable for any payment after claim is rejected and shall not become part of the contract between the Buyer and the Seller unless specifically accepted in writing by a duly authorized officer of the Seller. The Seller’s quotation is made subject to prior sales to third parties. In any event, said quotation will become void if not accepted by the Buyer within 30 days from the date of the offer.

Seller reserves the right to hold shipment of telephone or oral orders until written confirmation has been received from Buyer. Buyer assumes full responsibility for inaccurate or incomplete data supplied on special orders.

19. Acceptance. All Contracts and orders are subject to final acceptance at the Home Office of the Seller at Elmira, New York. When the cost of any such commodity or service is increased and, (b) in the event any major change in service necessary to the performance of the order, or in any way prevents Seller from adjusting its prices.
ACCORDANCE WITH BUYER'S ORDER AND BUYER SHALL INDEMNIFY SELLER IN ACCORDANCE
AS ANY PRODUCT IS MODIFIED BY BUYER OR IS MADE OR MODIFIED BY SELLER IN
recommendations which are communicated by Seller to Buyer in any form before, during or after the time
of this sale; or (c) the failure of Buyer, Buyer's officers, agents or employees to comply with federal, state,
or local laws or regulations applicable to the use of such machinery or equipment, including but not limited to,
the, 1970 Occupational Safety and Health Act as amended; or (d) the failure of Buyer, Buyer's officers,
agents or employees to properly train and instruct anyone using such machinery or equipment.
Reparis and Service Non-Warranty. The cost of all servicing of equipment not provided for in
provisioning sections may be charged to Buyer for Buyer's account. All costs of storage, insurance, handling, boxing or other costs in connection therewith shall be
borne by Buyer. For work that is not completed, a cancellation charge will be rendered.
Cancellations shall be assessed a minimum cancellation fee of 5% to cover the cost of order processing.
However, larger and/or more complex orders may be charged in excess of 5% depending on complexity of
the order. Cancellation charge will be computed on the basis of the Seller's full cost (for all engineering
work, all work in process and raw materials, all supplies and commitments made by the Seller in
connection with the order), less such allowances as the Seller may be in a position to make for any
standard components and for the balance of the material as scrap.
14. Property Rights. Seller retains for itself and all property rights in and to all designs, engineering
drawings and other information, intellectual property rights, and any other rights resulting from
manufacturing, development, invention or patent rights arising out of work done for Buyer. Buyer expresses agreement that it will not assign any rights therein, except for rights for itself and subsequent licensees to use the
equipment. Any prints, brochures, drawings or other information furnished to Buyer by the Seller are
intended solely for the confidential use by the Buyer and the Seller shall not be shared with the property of, and shall not be
used for the benefit of Seller's competitive position.
15. Patent Indemnity. If any Product furnished by the Seller is rightfully claimed to infringe any United States Patent issued at the time Buyer's order is accepted, Seller agrees at its option: (1) to procure for
Buyer use of the Product, or (2) to modify or replace the Product so as to avoid infringement, or
(3) to accept responsibility for infringement and reimburse Buyer for the purchase price and any transportation
equipment. Any suit or proceeding for infringement of any United States Patent issued at the time Buyer's order is accepted, against Buyer for infringement resulting from Seller's noncompliance with
any patent rights therein, except for rights for itself and subsequent licensees to use the
product in the condition received from Seller infringes any United States patent. Seller shall undertake
the defense thereof in Buyer's behalf and pay any damages and costs awarded therein against Buyer.
Seller provided Buyer is given prompt written notice and is furnished with copies of all demands, process
and pleadings, and Buyer cooperates fully in giving Seller authority, information and assistance at Seller's
expense for such defense, as well as control over the defense and any negotiations with regard to
settlement. THE FOREGOING REPRESENTS SELLER'S ENTIRE AND EXCLUSIVE OBLIGATION WITH
RESPECT TO ANY CHARGE OF PATENT INFRINGEMENT AND IS IN LIEU OF ANY STATUTORY
WARRANTY RELATING TO INFRINGEMENT. SELLER SHALL HAVE NO RESPONSIBILITY INsofar
AS ANY PRODUCT IS MODIFIED BY BUYER OR IS MADE OR MODIFIED BY SELLER IN
ACCORDANCE WITH BUYER'S ORDER AND BUYER SHALL INDEMNIFY SELLER IN ACCORDANCE
WITH THE INDEMNITY IN PARAGRAPH 15 ABOVE FOR ANY CLAIM WHICH ARISES
OUT OF SELLER'S COMPLIANCE WITH BUYER'S SPECIFICATIONS. SELLER SHALL ALSO HAVE NO
RESPONSIBILITY WITH REGARD TO ANY SETTLEMENT. ADMISSION OR PROMISE MADE BY
BUYER WITHOUT SELLER'S PRIOR WRITTEN CONSENT, NOR SHALL SELLER BE LIABLE FOR ANY
INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING,
LOSS OF PROFITS, CLAIMED TO HAVE BEEN SUBSTANTIATED BY ANY CUSTOMER OR USER OF THE
PRODUCT ARISING OUT OF ANY CLAIM OF INFRINGEMENT. Seller is entitled to indemnify from all rights of any party to the
agreement may be received by Buyer from Seller in connection with this Contract and designated by Seller as proprietary. Buyer shall have the
limited right to use such Seller proprietary information for system maintenance and operations purposes and
agrees not to disclose such Seller proprietary information to any third party without prior written
consent from Seller. Buyer further agrees to make such Seller proprietary information available to employees
only on a need to know basis.
Confidentiality Agreement. Buyer agrees to treat in confidence any information that may be received by
Seller in connection with this Contract and designated by Seller as proprietary. Buyer shall have the
limited right to use such Seller proprietary information for system maintenance and operations purposes and
agrees not to disclose such Seller proprietary information to any third party without prior written
consent from Seller. Buyer further agrees to make such Seller proprietary information available to employees
only on a need to know basis.
Reservation of Rights. Seller reserves the right to make subsequent improvements and changes in
design in its Products without imposing any obligation to make such changes or improvements upon
Products sold to the Buyer.
Limitation of Action. No action based upon any alleged breach of warranty must be commenced
within twelve (12) months from the date that Buyer knew or should have known of the alleged defect or
breach. Any action against Seller must be commenced within twelve (12) months from the time the
cause of action accrues unless the period for action shall be extended by Seller in writing. In
the interpretation of this limitation of action for breach of Seller's warranty it is expressly agreed that there are
no warranties of future performance of the equipment that would extend the period of limitation herein
contained for bringing an action.

IT IS EXPRESSLY UNDERSTOOD THAT ANY EFFORT BY BUYER, SELLER OR AGENTS TO
REPAIR ANY PRODUCT SHALL NOT EXTEND THE TWELVE (12) MONTH PERIOD OF LIMITATION
UNLESS SELLER AGREES IN WRITING, THE WARRANTY SET FORTH IN PARAGRAPH 4 APPLIES TO
REPLACEMENT PARTS AS WELL AS EQUIPMENT ORIGINALLY SOLD, AND NOTHING
EXCEPT EXPRESS WARRANTIES OF PERFORMANCE CONTAINED WITHIN THE WARRANTY
EXTENDS ITS OBLIGATION IN WARRANTY MORE THAN THE PERIOD SPECIFIED IN PARAGRAPH 4.
Installation Costs. All costs associated with Product installation and/or erection shall be borne solely by
Buyer.
20. Unnecessary Delay. If the Buyer causes unnecessary delay to the Seller's turnkey, installation
process or warranty service calls, the Buyer shall be liable for all costs associated with Seller's waiting
time and travels, but not limited to, time and material costs, travel expenses and any other costs associated
with Seller's requirement to wait due to unnecessary delay. This cost shall be charged at the standard service
or turnkey rates and shall be added to the first invoice sent to the Buyer following the occurrence of the
unnecessary delay.
21. Interpretation. Any contract resulting from Seller's quotation or acknowledgment of Buyer's purchase
order shall be governed by and construed in accordance with the laws of the State of New York. All
references to "Dollars" are to "U.S. Dollars."
22. Alternate Dispute Resolution. In the event a dispute between the Parties cannot be resolved, an
arbitration shall be made to a committee consisting of a corporate officer from each Party. The corporate
officials shall negotiate in good faith to properly assign the disputed cost to or between the Party(s).
If an amicable settlement cannot be reached after a reasonable time has been allowed for negotiation,
either Party may request that the issue be decided through mediation in accordance with the procedure set
forth in the following Paragraph titled "Mediation".
Mediation: The Parties agree that any controversy arising out of this Contract or any interpretation of this
Contract which the Parties are not able to resolve themselves through negotiation shall be submitted to
mediation before any other legal action is taken. The Parties shall mutually agree upon a third party
mediator. The costs and expenses of the mediation shall be borne equally by the Parties. Mediation shall
take place at Elmira, New York within two (2) weeks after notification by the aggrieved Party of a request
for mediation unless extended by the mediator. If the mediation does not result in an agreement acceptable
at all sides, any Party may take such other further action as it deems advisable under law or equity.
Assignment of Contract. Neither Party shall assign, transfer or convey the Contract on its rights, title,
interest, obligations or responsibilities hereunder without the prior written consent of the other Party, which
consent shall not be unreasonably withheld.
24. Entire Agreement. The HARDINGE INC. Terms and Conditions of Sale (and any Promissory Note
and Security Agreement, if applicable) embody the entire agreement between Buyer and Seller. The Parties
shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of
any kind or nature not set forth herein. No changes, amendments or modifications of any of the terms or
conditions of the Contract shall be valid unless reduced to writing and signed by both Parties.
25. Canadian Sales. (1) Each reference to "United States port" could be deemed to be "Canadian port".
(2) Each reference to "Uniform Commercial Code" shall be deemed to be "Personal Property Security Act." (3) Each reference to "forty eight (48) continental United States" shall be deemed to be "Canada." (4) Each reference to "1970 Occupational Safety and Health Act" shall be deemed to be "applicable Canadian, Provincial, and Territorial occupational, safety, and health laws and regulations." (5) Each reference to "United States Patent" shall be deemed to be "Canadian or United States Patents."
26. Mexican Sales. (1) Each reference to "United States port" shall be deemed to be "Mexican port." (2) Each reference to "Uniform Commercial Code" shall be deemed to be "Code Comercial." (3) Each reference to "1970 Occupational Safety and Health Act" shall be deemed to be "applicable Mexican, Territorial occupation, safety, and health laws and regulations." (5) Each reference to "United States Patent" shall be deemed to be "Mexican or United States Patents."

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