

## PURCHASE ORDER TERMS AND CONDITIONS

### 1. Prices

The prices for the Articles are Seller's lowest prices currently in effect. Should any lower price for any Article or any better terms be quoted to any of Seller's customers prior to competition of this order, Seller will promptly notify Buyer and, thereupon, such lower price or better terms will apply to this order provided that the granting of such lower price to Buyer would not be in violation of law.

The prices for the Article include all federal, state, and local taxes from which Seller cannot obtain exemption.

No charges will be allowed for transportation, boxing, crating, or other packaging unless set forth in this order.

### 2. Delivery and Default

Time is of the essence of this order. Delivery of supplies and/or services must be made within the time specified in the order. If any delivery is threatened to be delayed, Seller shall promptly give notice to Buyer's purchasing department of such delay or threatened delay. In default by the Seller, the Buyer may, by written notice terminate the whole or any part of this order. In the event of termination pursuant to this paragraph, the Buyer shall have the right, in addition to any other rights and remedies conferred by law or under this order, to procure upon such terms and in such manner as the Buyer may deem appropriate, supplies, or services similar to those terminated, and the Seller shall be liable to the Buyer for any excess costs for such similar supplies or services. Provided further, that the Seller shall not be liable for any excess costs if the failure to perform under this order arises out of causes beyond control of both Seller and subcontractor(s) and without fault or negligence of either of them, the Seller shall not be liable for any excess costs unless the suppliers or services to be furnished by the subcontractor(s) were obtainable from another source(s) in sufficient time to permit the Seller to meet the required delivery schedule.

### 3. Acceptance and Acknowledgement

If the Purchase Order is not accepted as written, return it at once with an explanation. Otherwise, mail an acknowledgment of this order at once verifying prices, delivery date, specifications, and other purchase terms.

### 4. Variation in Quantity

The quantity of material ordered must not change without permission in writing being first obtained except when caused by conditions of loading, shipping, packaging, or allowances in manufacturing process in which case variations shall be limited to 10% and payments shall be adjusted accordingly.

### 5. Shipment Identification

Each shipment under this order must be positively identified as being part of this order by suitable marking on the outside of each package including the Purchase Order number, Stores identification number if applicable, or other special markings as specified. Palletized materials shall be identified by marking on each side of the pallet.

### 6. Quality and Inspection

All material must be specified herein and comply with samples submitted and will be subject to inspection and approval by the Buyer after delivery. The right is reserved to reject and return at the risk and expense of the Seller such portion of any shipment which may be defective or fail to comply. Any material rejected will be held for disposition at the expense and risk of the seller.

### 7. Warranty of Supplies and Equipment

The Seller warrants that supplies and equipment delivered under this order, shall be free from all defects in material and workmanship and shall comply with all of the requirements of this order for a period of one year from date such supplies or equipment are placed in use, but in no event for a period longer than two years from date of delivery of such supplies. The Seller further guarantees the successful performance of equipment for the same period for the service specified or intended under the conditions specified or reasonable inferred.

### 8. Cancellation Equipment and Supplies

Should conditions arise which, in the opinion of the Buyer, make it advisable or necessary to cancel the order in part or in whole, Buyer may cancel the order by giving written notice to the Seller. Such cancellation shall be effective in the manner specified in the written notice. Buyer shall be responsible for any reasonable cancellation costs incurred by the Seller. Upon receipt of cancellation notice Seller is to take immediate action to discontinue manufacturing, stop shipments and other reasonable actions so that no further costs are included, and within 15 days of such notice Seller shall deliver to Buyer a statement showing the effect if any of said notice upon the costs incurred by the Seller due to cancellation and an equitable adjustment shall be made between Buyer and Seller.

### 9. Termination for Construction and Service Contracts

Should conditions arise which, in the opinion of the Buyer, make it advisable or necessary to cease work under this contract, or should contractor or Seller at any time refuse or fail to prosecute the work with promptness and diligence, or be guilty of a violation of the terms of this contract, Buyer may terminate this contract by written notice to Contractor. Such termination shall be effective in the manner specified in said notice and shall be without prejudice to any claims which Buyer may have against Contractor. On receipt of such notice, Contractor shall, unless the notice directs otherwise, immediately discontinue the work and the placing of orders for this contract, and shall thereafter do only such work as may be necessary to preserve and protect work already in progress and to protect material and equipment at the work site or in transit thereto.

### 10. Risk

Seller assumes all risk of loss of damage (1) to all Articles, work in process materials and other property of Buyer or Seller entering into performance of this order and to third persons and their property, until the acceptance by Buyer of all the Article; (2) to any property received by Sellers from or held by Seller or its Supplier for the account of Buyer; and (3) to any Articles or part thereof rejected by Buyer or as to which Buyer has revoked its acceptance from the time of such rejection or revocation.

### 11. Order Confidential

This order is confidential between the Buyer and Seller and it is agreed by the vendor that none of the details connected therewith shall be published or disclosed to any third party without Buyer's written permission. All property including art work furnished by the Buyer shall remain Buyer's property and shall be returned to Buyer or destroyed as specified.

### 12. Invoice Instructions

Invoices must be rendered in triplicate with all data legible. If freight is prepaid and added to invoice, a verified copy of freight bill(s) must accompany invoice. Otherwise invoices will be returned without forfeiting our right to take a discount if ordered. Separate invoices are to be submitted for each order.

### 13. Payments

Except as otherwise provided herein, the Seller shall be paid upon the submission of invoices in a form satisfactory to the Company, the prices stipulated herein for suppliers and/or services delivered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, partial payments will not be made.

### 14. Discounts for Prompt Payments

In connection with any discount offered, time will be computed from the date of delivery of the supplies and/or services at the named Company location, or from the date of correct invoice received in the office specified by the Company if the later date is later than the date of delivery. Payment is deemed made, for the purpose of earning discount, on the date of mailing of the company check.

### 15. Assignment

Neither this order nor any interest therein nor claim thereunder shall be assigned or transferred by the Seller except as expressly authorized in writing by the Company.

### 16. Patent Clause

The vendor hereby guarantees the Buyer against all losses of profit, damages, or both resulting from any patent infringement by reason of purchasing the goods covered by this contract. This guarantee also includes the reimbursements to the Buyer of all litigation costs which he may suffer as a result of any patent suit, in addition to the recoveries which may be secured against him of profit and/or damages, such costs including those of attorneys, witnesses, stenographers, traveling cost, auditor's costs, etc.

### 17. Protection Against Injury

The contractor agrees, as a condition thereof, that he will defend, indemnify, and save harmless the Buyer from and against all liability for loss or damage to property or injury to or death of any person or persons, arising from or growing out of the negligence of such Contractor, or any of his employees, or the uses of any equipment owned or operated by the Company, but under the control of said Contractor, that he will comply with all provisions of all Workmen's Compensation Acts, Workmen's Occupational Diseases Acts or Employer's Liability Acts of the States or States in which this contract is to be performed and in which any employees of the Contractor are or were engaged, and will furnish evidence satisfactory to the Buyer that he carries full insurance covering liability to employees in the State or States wherein this contract is to be performed and wherein the Contractor may have made his contracts of employment with his employees and he will inform the Company in writing by registered mail at least ten (10) days prior to cancellation of Workmen's Compensation Insurance in the States or States in which this contract is to be performed, that he will carry public liability insurance in the amount of at least \$500,000 for injury to one person and \$1,000,000 for one accident, including the interest of Buyer as additional insured that he will carry property damage insurance in the amount of at least \$250,000. Further, the Buyer reserves the right to increase the coverage requirements for public liability and property damage cases where he deems it advisable, and that he will furnish evidence to the Buyer that he carries such insurance with a responsible insurance company or companies satisfactory to the Buyer and an endorsement shall be attached to the policy or policies of such insurance, providing that the insurance company or companies shall agree to inform the Buyer in writing by registered mail at least (10) days prior to the termination of any such policy or before any changes are made in any such policy which changes restrict or reduce the insurance provided or which change the name of the assured.

### 18. Non-Discrimination

Seller warrants compliance with all applicable Federal, State and local laws, regulations and order, including the Occupational Safety and Health Act of 1970, and applicable rules, regulations, and standards thereto the Fair Labor Standards Act of 1938 as amended. Federal Wage & Hour Law and Executive Order 112246 of 09/24/76 as amended pertaining to Equal Opportunity, Executive Order 11598 of June 16, 1971, Listing of Job Vacancies; Executive Order 11625 of October 13, 1971, Minority Business Enterprises; Executive Order 11701 of January 24, 1973, Listing of Job Openings for Veterans and Executive Order 11758 of September 26, 1973, Affirmative Action Obligations, Employment of Handicapped, and Seller shall, upon request, furnish to the Company certificates to such affect.