



## TERMS AND CONDITIONS OF PURCHASE

1. No agreement or other understanding in any way modifying the conditions of this contract shall be binding upon Buyer unless made in writing and signed by Buyer's authorized representative.
2. This order must not be filled at prices higher than quoted or shown on the face of this order without prior written notification to, and acceptance by the Buyer.
3. The Seller warrants that the requirements of all labor laws, Federal, State and Local, will be complied with, including all laws relative to wages and hours, safety, compensations, etc., in the production of the goods listed on the face hereof.
4. No allowance will be made for packing or cartage charges unless specifically stated herein.
5. Buyers count will be accepted as final and conclusive on all shipments not accompanied by packing slip.
6. Buyer reserves the right to cancel Buyer's order under any one or more of the following conditions: (a) if materials or articles ordered are not received within the specified time; (b) if the quality does not meet specifications of Buyer; and (c) if, at the date of receipt of materials or articles ordered, acceptance thereof will place Buyer in violation of any governmental rule, regulation or order. Neither party shall be liable for damages or penalties for any default under Buyer's order which results directly or indirectly from compliance with any governmental rule, regulation or order. Seller shall promptly notify the Buyer of delays.
7. Goods found to be defective upon arrival at Buyer's plant (regardless of time when or place where title passes), will be returned at Seller's expense and credit taken on settlement. No goods returned as defective are to be replaced without Buyer's formal replace order. Buyer is to have the privilege of returning for credit or replacement at the price charged, any material which may prove, through service or otherwise, to be defective, at any time within one year after delivery.
8. Buyer reserves the right to cancel all or any undelivered portion of this order at any time. Seller agrees that any termination charges made hereunder shall be limited to charges incurred in procuring and fabricating materials and necessary labor to fabricate the material to the point where termination was made. Title to any uncompleted items in whatever stage of manufacture termination occurs, shall pass to the Buyer upon payment of this termination charge.
9. Buyer may at any time by written order to Seller make: (a) changes in the directions as to shipment and packing; (b) increases or decreases in the quantity ordered; (c) changes in the drawings or specifications. If such changes cause an increase or decrease in the amount of work under Buyer's order or in the cost of performance or in the time required for performance, an equitable adjustment shall be made in the purchase price and/or the delivery schedule and the order shall be modified in writing accordingly. Any claim for adjustment under this Article must be asserted within 10 days from the date the change is ordered, but nothing provided herein shall excuse the Seller from proceeding with the order as changed.
10. Material shipped on this order shall not be in excess of quantity ordered except that overruns on small items especially fabricated for the Buyer will be accepted not to exceed a 10% overrun, where such is standard industry practice.
11. Seller agrees to defend at its own expense any action, suit or claim in which an infringement of patent rights is alleged with respect to the sale or use of any materials or articles delivered under Buyer's order and to save Buyer and Buyer's customers harmless from any loss, damage or liability which may be incurred on account of such infringement of patent rights, except insofar as such materials or articles were produced in accordance with Buyer's designs or specifications.
12. Designs, tools, jigs, fixtures, templates, patterns, drawings and other information and things (hereinafter collectively called "tools") paid for or furnished by Buyer shall be Buyer's property and Seller shall not encumber or dispose of them in any way. Seller will maintain such tools in first class condition and will make replacements where necessary. Such tools shall be used exclusively for production under Buyer's orders, and Seller agrees to promptly deliver all tools to Buyer on demand.
13. Seller agrees to insure Buyer's interest in tools, materials and parts in Seller's custody by the usual form of all-risk insurance (fire, tornado, sprinkler leakage, etc.) to indemnify Buyer and save Buyer harmless from all actions and claims for personal injury, death or property damage in connection with work required by Buyer's order, and to furnish certificates or other evidence of insurance at Buyer's request.
14. Seller shall not subcontract the performance of the order, or any part thereof, without written permission of Buyer.
15. If Buyer supplies the material for the order, material not to exceed 3% over net requirements will be supplied without charge. Additional material supplied as a result of Seller's spoilage will be charged Seller at Buyer's cost plus handling any may be offset against amounts due Seller. Spoiled and unused materials supplied by Buyer are to be returned f.o.b. Buyer's plant, or credit allowed at prevailing prices at Buyer's option.
16. Seller will promptly furnish Buyer upon request a detailed inventory of all materials and articles at Seller's plant purchased or in process of fabrication or assembly for delivery under the order.
17. Any waiver of strict compliance with terms of this order or any part thereof shall not be deemed a waiver of Buyer's right to insist upon strict compliance thereafter.
18. The enumeration herein of specific rights, does not exclude any others given by law.
19. Buyer's remedy for Seller's breach of this order agreement or for breach of any warranty, express or implied, contained in it, shall be limited exclusively, except in the case of personal injury due to defects in goods sold to Buyer, to the return of the delivered goods to the Seller and repayment of the purchase price paid therefor, or to the repair and replacement of non-conforming goods or parts, at the option of the Buyer. These remedies shall be exclusive and not cumulative.
20. Seller will attempt to deliver all items of this order at the same time, but shall have the right to make more than one delivery when, in the Seller's discretion, it is deemed advisable to do so. Buyer shall not have the right to reject any shipment made under this purchase order for the reason that it does not contain all items ordered, so long as said shipments are shipped prior to the shipping date agreed upon. Said shipments are not to be shipped more than 30 days prior to shipping date agreed upon, unless specifically approved by Buyer in writing.
21. Seller indemnifies this Corporation, its successors, assigns, agents and subsidiaries against all liability, loss or damage, including costs, expenses and attorneys fees which may be incurred by reason of any claim (whether well founded or not), suit, judgment, or demand by any person actually or allegedly injured, harmed or damaged, in any manner, by reason of any product or part thereof which is subject of this order, including but not limited to claims, suits, judgments or demands based in whole or in part upon any claimed breach of warranty or negligent act by this Corporation, Seller will, at the sole option of this Corporation, and upon demand, defend from any such liability, suit, claim, judgment, loss or damage, or upon demand, reimburse this Corporation in full for any costs, expenses or attorneys fees incurred in connection with any such defense undertaken by this Corporation.22. Seller warrants that all materials will conform to the specifications, drawings, samples, models, or other descriptions furnished by Purchaser, or furnished by Seller and approved by Purchaser in writing, and that they will be of good material and workmanship and free from defect. Wherever printed material is called for by this order, it is understood that proofs are to be submitted for our inspection and approval before proceeding with the printing of the terms.