

CONDITIONS

1. **ACCEPTANCE:** By the acceptance of this order, the Vendor accepts all the terms and conditions stated herein. Any deletions, modifications, alterations of, or additions to, the terms and conditions of the order shall not be binding unless they are expressed in writing and signed by both the Vendor and the Buyer.

2. **DELIVERY:** The goods to be supplied under this order must be delivered in the quantities indicated thereon and according to the delivery schedule and routing specified by the Buyer. The Buyer reserves the right to cancel, without any cancellation charge, this order or any part thereof for later delivery, and to charge the Vendor for any loss entailed, provided that the late delivery is not caused by circumstances or events in the nature of force majeure that are beyond the control of the Vendor, in which event the Buyer agrees to extend the date of delivery for a period of time equal to the length of the delay so caused. The right of the Vendor to this extension of time shall be dependent upon the Vendor having given immediate written notice to the Buyer of the occurrence causing the delay, and having obtained the written consent of the Buyer to such an extension.

3. **QUANTITY:** The Buyer assumes no obligation for goods shipped in excess of the quantities specified on this order, unless such excess conforms to the standard practice of the trade, of which written notice has been given by the Vendor to the Buyer.

4. **INSPECTION:** The goods and services furnished under this order are subject to inspection, approval and acceptance by the Buyer. Payment for the goods and services shall not constitute acceptance thereof. The Buyer may return rejected material at the Vendor's expense or may hold such material at Vendor's risk awaiting instructions thereon. If rework is required it shall be carried out or arranged for by Vendor at no extra cost to the Buyer.

5. **WARRANTIES:** The Vendor guarantees that all the goods, materials and equipment supplied

under this order will be free from defects in material and workmanship and will conform to specifications, drawings or samples given. The Vendor further guarantees that all work or services performed hereunder will be free from defects in workmanship. All warranties and service guarantees shall continue in force for a period of time which conforms to the standard practice in the Vendor's trade, provided that the period be not less than twelve months from date upon which the installation of equipment is completed, or services are terminated, or goods, material and equipment purchased under this order are put into use, in which event the Buyer, its customers or users of its product are to be protected for the twelve-month period by the Vendor. In the event of any defect or failure within the warranty period, the Vendor agrees to replace defective goods, material and equipment, and to correct defects or failures at its own expense.

6. **CANCELLATION:** This order shall not be cancelled by the Vendor without the Buyer's consent. In the event of cancellation by the Buyer, except where cancellation is due to the Vendor's default, the Vendor shall be entitled to reimbursement of cost properly incurred only up to the date of cancellation, plus a reasonable profit on that portion of work already completed, with no claim for loss of anticipated profits (subject to inspection, approval and acceptance of the goods and services by the Buyer in accordance with the terms and conditions of this purchase order). In no circumstances shall the reimbursement exceed the purchase price of the goods or services as stated on the cancelled order. Materials and the work in process in respect of which reimbursement is made or is to be made, are to be held by Vendor at its risk until Buyer has issued instructions as to disposal.

7. **PACKAGING:** The goods covered by this order shall be properly packed by the Vendor, and the Buyer may reject items which are not properly packaged or not in suitable containers. Goods damaged in transit due to faulty packing will not be accepted.

8. **PRICES:** Prices on Vendor's invoices are to be exactly as quoted or acknowledged at time of order and no charges of any kind, including charges for boxing, packaging, duty or duty surcharges, postage, insurance, cartage or foreign exchange will be allowed unless specifically agreed to by Buyer in writing. If the price is omitted on the order, it is agreed that Vendor's price will be the lowest prevailing market price.

9. **INSOLVENCY:** In the event of the insolvency of either party, the other party may cancel this order and recover any loss sustained by reason of such cancellation.

10. **PROTECTION OF BUYER'S PROPERTY:** All plans, drawings, patterns, dies and any other tools, and equipment or material supplied by the Buyer to the Vendor for incorporation into or to aid in the manufacture of the goods to be supplied under this order, shall be preserved in good condition and insured by and at the expense of, the Vendor, in an amount equal to replacement cost. The Vendor shall be liable for any damages beyond normal wear and tear.

11. **CONFIDENTIAL DATA:** All plans, drawings, specifications and other information, patterns, dies and any other tools supplied by the Buyer (or if supplied by Vendor especially for this order, the cost, or substantially all of the cost, of which is included in the price to be paid for goods ordered hereunder) and any information derived there from, shall remain the sole property of the Buyer, and shall be kept secret and confidential by the Vendor, and shall not be disclosed to any third party without the written consent of the Buyer, or made use of the Vendor except for the purpose of executing this order.

12. **IMPORTS:** When all or part of the material supplied under this order has been imported into U.S. A., Vendor agrees to furnish when required and without charge, whatever forms and documents are necessary to enable the Buyer to file claims for duty drawbacks.

13. **INFRINGEMENT:** The Vendor agrees to indemnify the Buyer, and the customers and users of the Buyer's product, against any and all claims for royalties, license fees, infringement of patents or trademarks which may be made against the Buyer, and the customers and users of the Buyer's product in respect of the goods covered by this order or the manufacture, sale, possession or use thereof, and to defend at vendor's expense any and all actions based on such claims.

14. **GENERAL LIABILITY:** The Vendor shall be responsible for and shall save harmless and indemnify the Buyer from and against all costs, damages, suit and claims and demands of every nature whatsoever arising out of or by reason of the performance or purported performance of the contract by the Vendor including without limitation those made or sustained in respect of property damage, and personal injury (including death). If the Vendor's work under this order involves operations by the Vendor on the premises of the Buyer or one of its customers, the Vendor agrees to carry all workmen's compensation insurance required by law, and to indemnify the Buyer against all loss which may result in any way from the acts or omissions of the Vendor, its agents or employees and to protect and save harmless the Buyer, or the owner or operator of the plant in which the work is to be performed, from any claims for damages arising from death or injury to Vendor's employees from any cause whatsoever while in or about said plant.

15. **AFFIRMATIVE ACTION EMPLOYER:** The seller will comply with all provisions of Executive Order 11246 as amended, the provisions found in 41 C.F.R. sec. 60-741 (Disabled Persons) and sec. 60-250 (Veterans), and all relevant rules, regulations, and orders of the Secretary of Labor.