PURCHASE ORDER TERMS AND CONDITIONS

1. DEFINITIONS. As used herein, “Seller” means the legal person to whom this order is issued “Buyer” means the legal person issuing this order, “supplies” means all articles, materials, work or services to be furnished by Seller.

2. ACCEPTANCE AND MODIFICATION. This purchase order, whether or not issued with reference to a quotation or proposal of Seller, shall constitute an offer to enter into the purchase agreement it describes and shall be the complete and exclusive statement of the terms and conditions of the order. Buyer shall accept the offer in writing or by commencement of work hereunder. No modifications or changes proposed by Seller shall be valid unless confirmed in writing by Buyer. Buyer is not bound by any printed matter on Seller’s acknowledgement forms or invoices that impose additional conditions or conditions not acceptable to the terms on this order.

3. CHANGES. Buyer, at anytime, by written order, may change the design (including drawings, materials, and specifications), processing, method of packing and shipping, and the place, quantity, and time of delivery, of the supplies and services. Seller shall not make any change in the design, processing, packing, shipping or time of delivery of the supplies and services without Buyer’s written approval.

4. FABRICATION AND MATERIAL COMMITMENTS. Unless otherwise authorized in writing by Buyer, Seller shall not make commitments for material or fabricate in advance of time necessary to permit shipment on the prescribed delivery dates.

5. PACKING, MARKING, ROUTING, AND SHIPPING. Seller shall pack and ship the articles in accordance with the requirements of Buyer and the carrier transporting such articles. Seller shall mark each package in accordance with the current edition of Buyer’s packaging specifications and additional instructions of Buyer and the carrier. Seller shall reimburse Buyer for all expenses incurred by Buyer as a result of improper packing, marking, routing, or shipping. Seller shall not charge separately for packing, marking, or shipping, or for materials used therein, unless Buyer specifies, in writing, that it will separately reimburse Buyer for such expenses. The shipment of any of the articles by a more expedient method of transportation if Seller fails to meet the shipping requirements of this purchase order, and Seller shall bear the cost difference of such transportation unless such failure is due, as defined in the contract, to circumstances beyond Seller’s control. Seller shall be responsible for any loss, damage, or injury which results from or occurs during shipment of goods F.O.B. Seller’s plant via Seller’s vehicles.

If the goods are not shipped in accordance with Buyer’s direction and the instructions set out in this order, Seller shall be responsible for any excess cost thereby caused. Except for customary quantity variations recognized by trade practice, quantities in excess of those specified will not be accepted, and may be returned to supplier freight collect at Buyer’s discretion.

6. DELAYS. As a result of Seller’s failure or refusal to proceed with any purchase order, or failure to make delivery according to the specified delivery schedule, Buyer may cancel any remaining open balances of this order, unless delay is an excusable delay, as acknowledged by Buyer. As used herein, the term “excusable delay” means any delay resulting from causes or events beyond Buyer’s control, and without the negligence or fault of Seller, or if a charged to Seller’s account.

7. INSPECTION AND ACCEPTANCE. Inspection and test of the articles by Buyer may at Buyer’s option be made at Seller’s plant and/or points of destination. At Buyer’s option, Buyer may make such examination of Seller’s inspection, qualification, test equipment, as well as the data supporting the same. Acceptance of the goods by Buyer shall not relieve Seller from any obligations and warranties hereunder. In no event shall payment be deemed to constitute acceptance.

Buyer may reject, or retain and correct, goods that fail to meet the requirements of this purchase order. Upon notice of such nonconformity, Seller shall promptly correct or replace goods at Seller’s expense. If Seller fails to do so, Buyer may cancel this order as to all such goods, and in addition, may cancel the then remaining balance of this order. After notice to Seller, all such goods will be held or returned at Seller’s risk and expense. If Buyer elects to correct the goods, it shall consult with the Seller on the method of correction. Seller shall reimburse Buyer for reasonable expenses resulting from rejection or correction.

8. PROPERTY USED OR FURNISHED. Unless otherwise specified herein, any necessary special tools, dies or other equipment shall be furnished at the expense of the Seller. If agreed and specified, or if a charged to Buyer, any necessary tools or dies or other equipment shall be the property of the Buyer, and are for the sole use of the Buyer. If the Seller is not keeping the tools, dies or other equipment in Seller’s plant, Seller must identify the party which is holding this property. If Seller does not pre-advise subcontractor’s name, Buyer has the right to refuse on tools, dies or other equipment involved. Notwithstanding the foregoing, Seller agrees to furnish all of the designs, tools, patterns, drawings, information and equipment for Buyer in the production of articles called for herein and not otherwise except with Buyer’s written consent. Buyer does not warrant the accuracy of the tools and fixtures that it furnishes, and all work must be in strict accordance with blueprints and specifications. While such property is in Seller’s possession, Seller bears all responsibility for any loss or damage, regardless of cause or fault, to property furnished or owned by Buyer, but excluding normal wear and tear. Seller shall at its expense, insure any reasonable value, house and maintain on Seller’s premises, and identify as property of Buyer all such articles. Buyer shall have the right to enter Seller’s premises at reasonable times to inspect such articles and Seller’s records pertaining thereto. Upon completion of this order, all items furnished or owned by Buyer shall be forwarded to Buyer within 7 days unless otherwise specified by Buyer. Delivery shall be by a carrier selected by Buyer, at Buyer’s option F.O.B. Seller’s facility, or F.O.B. Buyer’s facility, properly packed and marked in accordance with the requirements of the carrier and the Buyer.

9. SAMPLES. Seller, at its own expense, shall fabricate from production tooling and processes and furnish to Buyer the number of samples specified on the face of this purchase order. Seller shall inspect such samples before delivery and shall certify inspection results in the manner required by Buyer.

10. INDEMNITY. Except as may be otherwise expressly agreed to in writing between Buyer and Seller, in no case shall Buyer indemnify or hold harmless Seller against any claim for personal injury, property, incidental, consequential, or special damages arising out of or resulting from improper or defective design, material, or workmanship in goods purchased from Seller hereunder.

11. WARRANTY. (a) Seller warrants that all Products delivered hereunder shall be free from defects in workmanship and materials and shall conform to the requirements of the purchase order, all items furnished or owned by Seller shall warrant the accuracy of the tools and fixtures that it furnishes, and articles called for herein and not otherwise except with the requirements intended by the Buyer. The foregoing warranties shall constitute conditions and are in addition to all other warranties, whether expressed or implied, and shall survive any delivery, inspection, acceptance or rejection by Buyer. (b) Seller warrants that all articles, material and work covered by this order will conform to the specifications, drawings, samples, or other description furnished by the Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship free of defects. (c) Seller warrants that all articles, material and work sold by the Seller and the products delivered hereunder and the designs upon which they are based do not infringe any present or future patent, copyright, industrial design right, or other proprietary right. (d) Buyer’s approval of the Seller’s material or design shall not relieve Seller of the warranties set forth in this clause, nor shall waiver by Buyer of any drawing or specification requirement for one or more of the items constitute a waiver of such requirements for the remaining items to be delivered hereunder unless so stated by Buyer in writing. The provisions of this clause shall not limit or affect the rights of Buyer under the clause entitled “INSPECTION and ACCEPTANCE.”

12. TERMINATION. Buyer may terminate its purchase obligations hereunder in whole or in part at any time by written notice of termination to Seller. Buyer shall have such right of termination notwithstanding the existence of an excusable delay as defined herein. Upon receipt of the notice of termination, Seller, unless otherwise directed by Buyer, shall: (a) terminate promptly all work under this contract; (b) Seller and Buyer will notify any subcontractor or other equipment involved. Notwithstanding the foregoing, Seller shall consult with the Seller on the method of correction. Seller shall r

13. TAXES. Unless otherwise stated, the prices do not include sales, use, excise, and similar taxes that may be applicable to the goods furnished hereunder or the materials used in the manufacture thereof.

14. ASSIGNMENT, DELEGATION AND INSOLVENCY. Assignment of this order, or any interest therein or any payment due or to become due, or delegation of any duty therein without the written consent of Buyer shall be void. If Seller coaxes to conduct its operation in the normal course of business (including: insolvency, bankruptcy, liquidation, or any proceeding under the bankruptcy or insolvency laws brought by or against Seller, or a receiver for Seller is appointed or applied for, an assignment for the benefit of creditors is made by Seller, Buyer may terminate the order without liability except for deliveries previously made or for goods covered by the order then completed and subsequently delivered in accordance with the terms on this order.

15. REMEDIES. No remedy herein provided shall be deemed exclusive of any other remedy allowed by law.

16. PROPRIETARY RIGHTS, CONFIDENTIAL INFORMATION. (a) Seller shall indemnify and defend Buyer against any claim of infringement of any present or future patent, copyright, industrial design right, or other proprietary right that results from the sale or use of the supplies or products hereunder (hereinafter referred to as Goods) in connection with this order or for any claim of infringement of any patent, copyright, trademark, trade secret, or other proprietary right that results from the sale or use of the Supplies or Products hereunder. (b) Buyer shall have the right to use all of the information contained in the Goods, except as otherwise agreed to in writing by Buyer and Seller. (c) Seller shall deliver all samples to Buyer at the time of delivery and Buyer shall have the exclusive use of the samples. (d) Seller shall have no right to use or disclose any confidential information obtained from Buyer in connection with this order or for any claim of infringement of any patent, copyright, trademark, trade secret, or other proprietary right that results from the sale or use of the Supplies or Products hereunder. (e) Seller shall deliver all samples to Buyer at the time of delivery and Buyer shall have the exclusive use of the samples. (f) Seller shall have no right to use or disclose any confidential information obtained from Buyer in connection with this order or for any claim of infringement of any patent, copyright, trademark, trade secret, or other proprietary right that results from the sale or use of the Supplies or Products hereunder. (g) Seller agrees to hold all confidential information obtained from Buyer in confidence and not to use or disclose such information to any third party without the written consent of Buyer. (h) Seller shall deliver all samples to Buyer at the time of delivery and Buyer shall have the exclusive use of the samples. (i) Seller shall have no right to use or disclose any confidential information obtained from Buyer in connection with this order or for any claim of infringement of any patent, copyright, trademark, trade secret, or other proprietary right that results from the sale or use of the Supplies or Products hereunder. (j) Seller agrees to hold all confidential information obtained from Buyer in confidence and not to use or disclose such information to any third party without the written consent of Buyer.

17. GOVERNING LAW. The contract resulting from the acceptance of this order is to be construed according to the laws of the State of Buyer’s domicile.

18. COMPLIANCE WITH LAWS. Seller agrees to comply with, and warrants that the products and services which are the subject of this order, and the production thereof, comply with all applicable state, federal and local laws, rules and regulations.