

CONDITIONS AND TERMS

1. Contract

The materials or services specified in the purchase order hereof are ordered upon the express terms and conditions printed on the front hereof, which together, constitute the entire contract between the Seller and Buyer.

Compliance with provisions of executive order 10925 and 11246 is a requirement under this purchase order.

By acceptance of this order Seller agrees to all the terms, conditions and instructions appearing on the purchase order hereof.

Separate invoices must be rendered for each shipment.

2. Cash Discount

The Buyer reserves the right to withhold payment of invoices until merchandise has been received and checked and does not waive the right to deduct the cash discount.

3. Patents

The Seller agrees to defend, protect and save harmless, the Buyer, and its customers from any loss, damage or expense including attorney's fees because of actual or alleged infringement of any patent rights resulting from the purchase, sales or use of the material covered by this order.

4. Federal and State Laws

(a) Seller, in accepting this order, agrees to comply with all Federal, State and local laws, regulations, orders and ordinances applicable to manufacture and sale of the product or performance of services specified hereon and further agrees, without limitations of the foregoing, to comply with the requirements of the Fair Labor Standards Act of 1938, as amended, and all regulations and orders of the U. S. Department of Labor as issued.

(b) If the materials or services covered by this order are to be used in the performance of a Government Contract or subcontract, the Seller agrees to comply with all Federal, State and local laws, regulations, orders and ordinances with which the Buyer is required to comply.

5. Changes

(a) No changes may be made by the Seller in the terms, conditions, specifications or prices appearing on this order without the written approval of the Buyer.

(b) Buyer may, at any time and from time to time, by written order to Seller, make changes in shipping and packing instructions, increase or decrease the quantity of product ordered, change the drawings and specifications, issue a suspension of work order and make changes in delivery schedules.

(c) If such changes cause an increase or decrease in the amount of work under this contract or in the cost of performance, or in the time required for performance, an equitable adjustment should be made in the contract price and/or the delivery schedule and the contract should be in writing accordingly. Any claim for adjustment under this clause must be asserted within thirty (30) days from the date the change is ordered. All articles covered hereunder shall be manufactured in accordance with this contract unless a change thereto is subsequently authorized by a written change order issued by the Buyer.

6. Cancellation

(a) This order may be cancelled by the Buyer at any time without cost in the event that the Seller shall be in default of any of the terms or conditions hereof.

(b) If the materials or services covered by this order are to be used for the performance of a Government contract or subcontract and said Government contract or subcontract is terminated in whole or in part, the Buyer shall have the right to terminate this order in whole or in part and the rights of the Buyer and of the Seller shall be determined in accordance with applicable Government termination regulations, if any, in force at the time of termination or if there be no applicable Government regulations then in force, upon the basis on which the rights of the Buyer as to the termination of its Government contract or subcontract shall be determined.

7. Responsibility for Patterns, Tools, etc.

Any patterns, dies, tools, drawings, tracings, or other property loaned or otherwise made available to the Seller for use in the performance of this order shall be at the Seller's risk and the Seller shall be responsible for any loss, damage or injury thereto, and all such patterns, dies, tools, drawings, tracings or other property shall be returned to the Buyer promptly after the work requiring the use thereof has been completed. No articles furnished hereunder, or tools, plans, drawings and specifications for producing the same which have been designated for Buyer or by or on behalf of Buyer shall be duplicated or used by Seller for others without Buyer's written consent.

8. Acceptance/Rejection of Articles or Materials, or Services

Seller warrants that all articles, materials and work supplied or performed by Seller under this Purchase Order conform to the requirements, specifications, drawings, samples or other descriptions furnished or adopted by Buyer and that they are merchantable, of good material and workmanship. If any items furnished or services rendered by Seller do not comply with the terms of this contract, Buyer shall have the right, in addition to all legal and equitable remedies, to replace the item or have comparable services rendered, charging the Seller with the cost of replacement or substituted performance together with all incidental and consequential damages. All articles and material are subject to Buyer's inspection and acceptance without time restrictions. Payment shall not constitute an acceptance of nonconforming articles, material, or services.

9. Renegotiation

If this order has been stamped on its face as "Subject to Renegotiation Act of 1951," then to the extent indicated by such stamp, this order shall be deemed to contain all the provisions required by Section 104 of the Renegotiation Act of 1951.

10. Waiver of Conditions

Any waiver of, or exception to, the above enumerated conditions or of any special terms or provisions relating to this order, to be valid, must be specifically agreed to in writing by an authorized officer of the Buyer.

11. Inspection of Records and Facilities

All articles, materials and workmanship, as well as facilities where they are produced, will be subject to inspection and tests by Buyer, government agencies, or Buyer's ISO Notified Body during manufacture and at all times and places to the extent practicable. Seller shall provide and shall require all of Seller's subcontractors to provide full opportunity for such inspections in a manner acceptable to the inspectors. If an inspection or test is made on Seller's premises, Seller shall provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. The Seller agrees to retain in proper order for efficient retrieval, all manufacturing and quality assurance records for a period of seven (7) years. Seller agrees to include these appropriate provisions to the same effect in each subcontract that Seller might issue in regards to this contract with the Buyer.