

## TERMS and CONDITIONS

### SHIPPING AND BILLING:

- (a) All material shall be properly packed, marked, and shipped in accordance with the requirements of the common carrier transporting much material and of this purchase order and in a manner that will permit the lowest transportation rates.
- (b) Seller shall properly mark each package with Buyer's order number and where multiple packages comprise a single shipment each package shall also be consecutively numbered and the package that holds the packing slip shall be so marked.
- (c) Packing slips must accompany each shipment.
- (d) Original bill of lading, or other shipping receipt, plus INVOICES IN DUPLICATE, for each shipment shall be promptly forwarded by seller.
- (e) No charges will be allowed for boxing, crating, drayage, or storage, unless such charges are included in the order.
- (f) Invoices and packing slips should not reflect more than one purchase order number at a time.

### CONTRACT:

The contract resulting from the acceptance of this order is to be construed according to the laws of the state from which this order issues, which is printed on the opposite side hereof. This contract is non-assignable by the seller. The terms and conditions of sale as stated in this purchase order govern, in event of conflict with any terms or conditions of Seller's proposal, and are not subject to change by reason of any written or verbal statements by Seller or by any terms stated in Seller's acknowledgment unless the same be accepted in writing by Buyer.'

### DELIVERY SCHEDULES:

'Deliveries are to be made both in the quantities and at the time specified in schedules furnished by Buyer. Buyer shall not be liable for payment for materials or articles delivered to Buyer which are in excess of the quantities specified in the delivery schedules. Buyer shall have the right to refuse shipments delivered ahead of schedule and such shipments may be returned to Seller at Seller's expense. Buyer shall have the right at any time to change delivery schedules or to direct temporary suspension of scheduled shipments.'

### INSPECTION AND REJECTION:

Material noted on this order are subject to our inspection and approval. All defective material or material not in accordance with Buyer's blue prints or specifications will be held or returned at Seller's risk and expense. If returned, the defective material must be scrapped unless it can be reworked to the satisfaction of the Buyer. It is never to be used or offered for sale to anyone except as scrap and then only after it has been mutilated. 'No articles or materials returned by Buyer as defective shall be replaced without formal replacement order.'

### CANCELLATION:

The Buyer reserves the right to cancel this order or any part thereof if delivery is not made within the time specified herein, or within the time specified in Buyer's delivery schedules, or if no time is specified, then within a reasonable time.

### MODIFICATION:

Buyer reserves the right at any time to make changes in drawings and specifications as to any material and/or work covered by this order. Any difference in price or time for performance resulting from such changes shall be equitably adjusted. All other modifications or variations of the contract in order to be binding shall be in writing and signed by the parties through their fully authorized agents.

### WARRANTY:

Seller warrants that said articles shall conform to the description and specifications as herein provided shall be of good material and workmanship merchantable and adapted for the purposes intended and free from defects.

### TOOLS:

Unless otherwise herein agreed, Seller at its own expense shall furnish, keep in good condition and replace when necessary all dies, tools, gauges, fixtures and patterns necessary for the production of the material ordered CHECK WITH BUYER BEFORE REPLACING WORN OUT TOOLS.

The cost of changes in the aforementioned items necessary to effect design or specification changes ordered by Buyer shall be paid for by Buyer. Buyer has the option, however, to take possession of and title to any dies, tools, gauges, fixtures and patterns that are special for the production of the material covered by this order and shall pay to Seller the unamortized cost thereof; provided, however that the option shall not apply if the material hereby ordered is the standard product of Seller, or if a substantial quantity of like material is being sold by Seller to others. All such dies, tool, gauges, fixtures and patterns owned by Buyer shall be fully insured by Seller against loss by fire or extended coverage.

### MATERIAL FURNISHED BY BUYER:

Any material furnished by Buyer, on other than a charge basis in connection with this order, shall be deemed as held by Seller upon consignment. All such materials not used in the manufacture of the product covered by this purchase order shall, as directed, be returned to Buyer at Buyer's expense, and if not accounted for or so returned, shall be paid for by Seller. All such materials, including, but not limited to, tools, dies, gauges, jugs, fixtures, etc. owned by Buyer shall be fully insured by Seller against loss by fire or extended coverage.

### EXCUSABLE DELAYS:

Seller shall not be responsible for delays or defaults in delivery, nor the Buyer for failure to receive, if occasioned by war, strikes, fires, acts of God, or public enemy, labor or transportation difficulties, or any other causes beyond the control of the party in default. 'The Buyer shall have the right, however, to cancel this order in accordance with the paragraph hereof entitled 'Cancellation.'

### PATENTS:

By accepting this order Seller agrees to defend, protect and save harmless the Buyer, its successors, assigns customers and the users of its products, against all suits at law or in equity and for all damage claims, and demands for actual or alleged infringement of United States or foreign letters patent by reason of the use of the materials or articles hereby ordered.

### INSURANCE:

If this order covers performance of labor for the Buyer, the Seller agrees to indemnify and protect the Buyer against all liabilities, claims, or demands for injuries or damages to any person or property growing out of the performance of this contract. The Seller further agrees to furnish a Certificate from its insurance carriers showing that it carries adequate Workmen's Compensation, Public Liability, and Property Damage insurance coverage. Said Certificate must show the amount of coverage, number of policy and date of expiration. If Seller is self-insured, he must have the Department of Labor and Industry of the state in which said labor is to be performed furnish Certificates of same direct from their office to the Buyer.

Seller agrees to carry and to furnish certificates from its insurance carriers showing that it carries insurance in the following minimum limits:

Workmen's Compensation	-Statutory Limits
Public Liability	-500,000/1,000,000 Limits
Property Damage	-500,000/1,000,000 Limits
Automobile-B.I.	-250,000/ 500,000 Limits
Automobile-P.D.	-500,000 Limits
Contractual Liability	-500,000/1,000,000 Limits

### FAIR LABOR STANDARDS ACT:

All invoices must carry the following certificates: 'Seller hereby certifies that these goods were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act as amended, and of regulations and orders of the United States Department of Labor issued under Section 4 thereof.'

### PAYMENT:

All bills for payment shall be accompanied by WAIVER OF LIEN from all subcontractors and material suppliers together with contractor's waiver of lien and sworn statement that laborers, material suppliers and subcontractors have been paid in full.

### FAIR EMPLOYMENT CLAUSE:

'The contract provisions of Section 202 of Executive Order 11246 of September 24, 1965 generally known as the equal opportunity clause are incorporated herein by reference.'