

TERMS & CONDITIONS

1. **ACCEPTANCE:** This purchase order constitutes the Buyer's offer to the Seller. The terms and conditions of this offer must be accepted by the Seller. Upon the failure of the Seller to acknowledge this purchase order in writing and agree to its terms, the commencement of performance required by this offer shall be conclusive evidence of the Seller's approval of, and consent to, the terms and conditions of purchase herein contained.
2. **PACKING:** Unless this order states otherwise, no charge shall be made for packing, crating, drayage or other similar costs. Items shall be packed in accordance with good commercial practice to insure against damage from weather and/or transportation.
3. **INSPECTION AND PAYMENT:** Articles purchased hereunder are subject to final inspection and approval at Buyer's plant notwithstanding any other inspection, unless otherwise specifically stated on this order. Neither compliance by Seller with instruction or suggestions by any employee of Buyer nor Buyer's payment of Seller's invoice for any article prior to final inspection shall be deemed an acceptance of the article or a waiver of the right of inspection or any other right herein reserved, or relieve Seller of any obligation or liability under the terms and conditions of this contract. Defective products will be rejected by the Buyer and the unit prices thereof will be debited against the invoice covering the shipment in which such products were included. Articles rejected will be held at Seller's risk and subject to Seller's disposal for a reasonable time, and, if not disposed of by the Seller, will be sold or otherwise disposed of by the Buyer for the Seller's account.
4. **WARRANTY:** Seller warrants that all material and work covered by this order will conform to the specifications, drawings, symbols or other description furnished or specified by Buyer, and will be good material and workmanship, and free from defect. Seller further warrants that all material covered by this order which is the product of Seller or is in accordance with Seller's specifications or design shall be fit and sufficient for the purpose intended by Buyer as disclosed to Seller. All warranties shall run to Buyer, its successors, assigns and customers and to the users of its products.
5. **PATENT PROTECTION:** To the extent the subject articles are not manufactured pursuant to design originated by Buyer, Seller agrees it will save Buyer and/or its agents or customers harmless from any loss, damage, or liability which may be incurred on account of any alleged infringement of any United States patent with respect to such articles or materials, and that it will, at its own expense, defend any action, suit or claim in which such infringement is alleged. Buyer agrees to notify Seller promptly of any suit or claim against Buyer for any alleged infringement of patent.
6. **ENGINEERING, INFORMATION, TOOL, ETC.:** All designs, tools, patterns, drawings, information or equipment supplied by Buyer, or if supplied by the Seller especially for this order, the cost, substantially all of the cost, of which is included in the price to be paid for articles ordered hereunder, and relating to, or for use in the manufacture of articles sold hereunder, shall remain the sole property of the Buyer, and Seller expressly agrees that the same will not be used in manufacture of design for the account of others, nor for the manufacture of larger quantities than called for in this order, without first obtaining the consent of the Buyer in writing. All such property of the Buyer, together with spoiled and surplus materials, shall be returned to buyer at termination, cancellation of completion of this order, unless Buyer shall otherwise direct. All material furnished by Buyer on the purchase order (except that which becomes normal industrial waste or was replaced at Seller's expense) shall be returned in the form of parts or unused material and Seller shall be responsible for the use of reasonable care in the safeguarding of all such materials until so returned. All information, designs, drawings and sources of supply shall be deemed confidential unless written release is furnished by Buyer.
7. **FEDERAL, STATE AND LOCAL TAXES:** All prices stated herein include, unless otherwise specified, all Federal, State or local taxes that may be levied or assessed as a result of this purchase order, or are otherwise applicable to this purchase order.
8. **TERMINATION:** (a) Buyer may terminate or cancel this order, in whole or in part, without liability to the Buyer, if deliveries are not made at the time and in the quantities specified, or in the event of a substantial breach of any of the other terms or conditions hereof; (b) Buyer may also terminate this order, in whole or in part, even though Seller is not in default hereunder and no breach hereof has occurred by notice in writing at any time. Such notice shall state the extent and effective date of termination and upon the receipt by Seller of such notice, Seller will, as and to the extent prescribed by the Buyer, stop work under the order and placement of further orders or subcontracts hereunder, terminate work under order and subcontracts outstanding hereunder, and take any necessary action to protect property in the Seller's possession in which the Buyer has or may acquire an interest.
9. **CHANGES:** Buyer may at any time, by a written change notice, make changes in the specifications, designs or drawings, samples or other description to which the articles are to conform, in methods of shipment and packaging, or in the time or place of delivery of any articles. If any such change causes an increase or decrease in cost of, or the time required for, the performance of any part of the work under this order, and equitable adjustment shall be made in the price of delivery schedule or both, and this order modified in writing accordingly. Any claims by Seller for an adjustment must be made in writing within thirty (30) days of the receipt of any such change notice, provided, however, that Buyer may, in its discretion, receive and act upon any such claim so made at any time prior to final payment under this order. Nothing in this clause shall excuse Seller from proceeding without delay to perform this order as changed.
10. **INSOLVENCY AND BANKRUPTCY:** In the event Seller shall become insolvent or makes a general assignment for the benefit of creditors, or files or has filed against it a petition of bankruptcy or for reorganization, or pursues any other remedy under any law relating to the relief of debtors, or in the event a receiver by appointed of Seller's property or business, Buyer may, at its option, cancel this order in accordance with paragraph 8 above.
11. **COMPLIANCE WITH LAWS:** To the extent applicable hereto, Seller shall in the performance of this order comply with all federal, state and local laws; and regulations and orders issued under any applicable law.
12. **NOTICE OF LABOR DISPUTES:** Whenever an actual or potential labor dispute is delaying or threatening to delay the performance of this order, Seller will immediately give notice thereof including all relevant information with respect thereto, to Buyer.
13. **GENERAL:** All warranties shall be construed as conditions as well. Neither this order nor performance hereof may be assigned without the written consent of the Buyer. No waiver of a breach or of any provision of this order shall constitute a waiver of any other breach or of such provision. No modification or change in, or departure from, the provision of this order shall be valid or binding on the Buyer unless approved by Buyer in writing.
14. **NONDISCRIMINATION IN EMPLOYMENT:**
 - (1) the Seller in performing the work required by the order shall not discriminate against any worker, employee or applicant for employment because of race, creed/color or national origin and in this respect shall comply with the provisions of Executive Order 11246 in effect on the date hereof.
 - (2) Seller agrees upon request to provide Buyer with Certificate of Submission of Current Compliance Report or Compliance Report Notification.
15. **SAFETY AND HEALTH:** Seller agrees that all articles of equipment purchased hereunder will comply with the requirements of the Federal Occupational Safety and Health Act of 1971, the California Occupational Safety and Health Act of 1973, and any amendments thereto and all other applicable laws regarding safety and health for the Buyer.