

TERMS AND CONDITIONS

- PRICES** - The price specified on the face hereof shall be the total price to Buyer for all materials, goods, and services during the life of this order and any decline in prices for such materials, goods and services shall inure to the benefit of the buyer.
- DELIVERY** - Unless otherwise stated on the face hereof, promptness of deliveries of materials and goods, or performance of services, is of the essence of this order. If at any time Seller has reason to believe that deliveries or performance will not be made as scheduled, written notice setting forth the cause of the anticipated delay will be given immediately to Buyer.
- RELEASE AUTHORIZATION** - When it is specified on the face hereof that deliveries are to be in accordance with Buyer's written releases, Seller shall not fabricate or assemble materials or goods covered by this order or procure required materials, or ship any materials or goods to Buyer, except to provisions of this order specifying minimum fabrication or delivery quantities.
- FORCE MAJEURE** - This order is subject to modifications by Buyer in event of fire, accidents, strikes, Government acts or other conditions beyond Buyer's control.
- EXCESS SHIPMENT** - Buyer reserves the right to reject and return at Seller's expense all materials or goods received which are (a) received in advance of the date or dates specified in Buyer's shipping releases, or (b) in excess of the quantities of materials or goods which are authorized by the agreement, if any, of Seller and Buyer for over-shipment.
- RESPONSIBILITY FOR PACKING, MARKING AND DELIVERY** - Unless otherwise provided in this order, Seller, for the price stated in this order, shall (i) pack and mark the materials and goods covered by this order to be shipped in a matter satisfactory to Buyer and so as to secure the lowest transportation rates, meet carrier requirements and assure arrival at "ship to" point free of damage and deterioration, and (ii) be responsible for the materials and goods until delivered at the designated (f.o.b.) delivery point, regardless of point of inspection. Unless otherwise provided, (i) the price as stated in this order shall include all charges and expenses with respect to containers, packing, end crating, and for transportation to f.o.b. point, and (ii) all containers, packing and crating material shall become property of Buyer. Seller shall process shipping documents and route shipment from f.o.b. point, as directed by Buyer.
- DAMAGES** - Notwithstanding any other conditions relating to damages stated herein, it is agreed that Seller shall be liable for damage to materials or goods described herein by improper boxing, crating or packing.
- TRANSPORTATION CHARGES** - Unless expressly stated on the face hereof, all transportation charges must be prepaid if sold f.o.b. destination. Seller grants Buyer the right to specify at any time the carrier and/or the method of transportation to be employed in conveying any part or all of the materials or goods covered herein.
- PREMIUM COST SHIPMENTS** - If Seller's deliveries are so far behind the given schedule that Buyer finds it necessary to call upon Seller for premium cost shipments, Seller will allow the difference between premium and normal costs.
- SAMPLES AND SPECIFICATIONS** - Calls for sample are to assist Seller, and even though samples are approved, Seller will still be held responsible if materials and goods are not exactly to specifications, as this order is based thereon. Defective materials and goods, or materials and goods not in accordance with specifications may be returned at Seller's expense, including inbound transportation charges, if bought f.o.b. shipping point. No replacements of defective materials or goods shall be made unless specified by Buyer.
- WARRANTY** - Seller expressly warrants that all materials, goods or services covered by this order will conform to the specifications, samples or other description furnished or specified by Buyer, and will be merchantable, of good material and workmanship and free from defects. Seller expressly warrants that all the materials and goods covered by this order which are the product of Seller or are in accordance with Seller's specifications, will be fit and sufficient for the purpose intended. Seller specifically agrees to defend, indemnify and hold harmless Buyer from and against any and all claims, losses, damages and settlement expenses resulting from or arising out of a breach of Seller's warranties and of which Buyer notifies Seller at any time.
- MATERIAL FURNISHED BY BUYER** - Any material furnished by Buyer on other than charge basis in connection with this order shall be deemed as held by the Seller for Buyer, and Seller agrees to pay Buyer for all such materials spoiled by the Seller, or not otherwise satisfactorily accounted for.
- TERMINATION AT BUYER'S OPTION** - Buyer may terminate performance of work under this order in whole or from time to time in part by written notice of termination delivered to Seller at any time after one day from Seller's acceptance of this order, whereupon Seller will stop work on date and to the extent specified in the notice and terminate all orders and subcontracts to the extent they related to the terminated work. Seller will promptly advise Buyer of the quantities of applicable work and material on hand or purchases prior to termination and the most favorable disposition that Seller can make there thereof Seller will comply with Buyer's instructions regarding transfer and disposition of title to the possession of such work and material. (Releases existing or subsequently received, against other purchase orders awarded Seller by Buyer for the same or similar goods or materials, are to be considered such instructions unless Seller is notified by writing.) Within the time limit established by Buyer at the time of such notification, Seller will submit all of its claims resulting from such termination. Buyer will have the right to check such claims at any reasonable time or times by inspecting and auditing the records, facilities, work or materials of Seller relating to this order. Buyer will pay Seller, without duplication, the order price for finished work accepted by Buyer and the cost to Seller of work in process and raw material allocable to the terminated, based on any audit principals; less however: (1) the reasonable value or cost (whichever is higher) of any items used or sold by Seller without Buyer's consent, (2) the agreed value of any items used or sold by Seller with Buyer's consent; and (3) the Buyer will make no payments for finished work, work-in-process or raw material fabricated or procured by Seller in excess of any authorization required under paragraph 3 herein. Notwithstanding the above, payments made under this paragraph shall not exceed the aggregate price specified in this order less payments otherwise made or to be made, and adjustments shall be made reducing the payments hereunder for costs of work in process and raw material to reflect on a pro rata basis any indicated loss on the entire order had it been completed. Payment made under this paragraph will constitute Buyer's only liability in event this order is terminated hereunder. Except as otherwise provided in this order, the provisions of this paragraph will not apply to any cancellation by Buyer for default by Seller or for any other cause allowed by law or under this order.
- CANCELLATION FOR DEFAULT** - If Seller fails (i) to deliver the materials or goods or perform the services at the time specified herein or any extension thereof authorized by Buyer in writing, or (ii) to perform any of the other provisions of this order and does not cure such failure within such period as Buyer may authorize after receipt of notice from Buyer specifying such failure. Buyer may be written notice of default to Seller cancel the whole or any part of the materials, goods or services ordered, without liability, except for completed services and completed materials and goods delivered and accepted and except under that portion of the order not cancelled. If after notice of default under this paragraph, it is determined that Seller was not in default, work affected by the cancellation shall be deemed terminated pursuant to paragraph 13 above and the rights and obligations of the parties shall be governed by such paragraph.
- INSURANCE** - Seller agrees to furnish acceptable certificates evidencing adequate workmen's compensation, public liability and property damage insurance coverage. Seller shall defend, indemnify and protect Buyer against all claims, liabilities losses and damages due to or injury to or death of any person and damage to or loss of any property arising out of improper performance or negligent work under this order or arising out of any act or omission of any employee or agent of Seller and its subcontractors while on Buyer's property or in the course of their employment.
- INSPECTION AND REJECTIONS** - Buyer shall have the right to inspect and test all materials and goods to the extent practicable at all times and places, including the places and during period of manufacture. Seller shall also provide and maintain an adequate inspection system covering the materials and goods hereunder. Seller shall make its inspection records of all work and material available to Buyer Outing the performance of this order, and for such longer period as may be specified in this order. In case any materials or goods delivered hereunder are defective in materials or workmanship or otherwise not in conformity with the requirements of this order, Buyer shall have the right, notwithstanding payment or any prior inspection or test, either to reject it or to require its correction. Property which is rejected or required to be corrected shall be removed (if permitted or required by Buyer) or correct in place, by and at the expense of the Seller promptly after notice, and shall not thereafter be delivered hereunder unless the former rejection or requirement of correction is disclosed. If the Seller fails promptly to remove such property which is required to be removed, or promptly to replace or correct such property, Buyer either (i) may be contract or otherwise replace or correct such property and shall charge to Seller the increased costs occasioned Buyer thereby, or (ii) may affect a cancellation for default under paragraph 14. Unless the Seller is able to correct or replace such property within the delivery schedule, Buyer by written notice may accept the delivery of such property subject to a reduction in price reflecting the reduced value attributable to nonconformance. Seller assumes the risk of damage to or loss of and all handling and transportation costs for defective property delivered hereunder.
- CHANGES** - Buyer may at any time, by a written order, and without notice to sureties, if any, make changes within the general scope of this order, in any one or more of the following: (i) specifications pertaining to this order; (ii) method of shipment or packing; (iii) place of delivery; (iv) the amount of property to be made available by Buyer for use by Seller in performance of this order. If any such change causes an increase or decrease in the cost of, or the time required for performance of any part of the work under this order, whether changed or not changed by any such order, an equitable adjustment shall be made in the order price, or the delivery schedule, or both. Such claim by Seller for adjustment under this paragraph must be asserted within 30 days from the date of receipt by Seller of the notification of change. Buyer will have the right to check all claims hereunder at any reasonable time or times by inspecting and auditing the records, facilities, work or materials of Seller relating to this order.
- RIGHTS AND REMEDIES** - The rights and remedies herein reserved to Buyer shall be cumulative and additional to any other or further rights and remedies available at law or in equity. No waiver of a breach of any provision of this order shall constitute a waiver of any other breach or waiver of such provision.
- LABOR DISPUTES** - Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this order. Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer.
- ACCEPTANCE** - This order is not binding until accepted in writing or by a delivery, or the commencement of performance of services, or commencement of work on (including the ordering of materials or for goods) materials or goods to be specially manufactured for Buyer, pursuant to this order.