

STANDARD TERMS AND CONDITIONS OF PURCHASE

- 1. TERMS AND CONDITIONS:** Subject only to the terms of a valid and properly applicable general written contract which may be in effect between Buyer and Seller, this contract, is entered into on the terms and conditions contained herein, together with any supplemental documents, specifications, drawings, notes, instructions, notices and technical data referred to herein. This contract supersedes all prior offers and other communications and sets forth the entire understanding of the parties with respect to the subject matter hereof. Seller accepts these terms and conditions by commencing performance hereunder or returning a written acknowledgment to Buyer. Any additional or different terms or conditions proposed by Seller or contained in its acknowledgment or otherwise are hereby objected to and shall be ineffective unless accepted in writing by Buyer. No waiver or modification of any provision hereof shall arise or be valid unless made in writing, duly executed by a properly designated representative of each of the parties hereto. Waiver of any one default shall not waive subsequent defaults.
- 2. INVOICES:** Seller agrees to invoice at the prices set forth on the face of the Purchase Order or at the lowest price for comparable quantities available to any purchaser as of the time delivery hereunder, whichever is lower. Invoices shall be rendered in triplicate and shall cover not more than one order. Invoices, shipping notices, bills of lading and receipts shall be mailed promptly after shipment. Discounts shall be applicable to payments made within the stated period, computed from date of receipt of a proper invoice or delivery at destination, whichever is later. Payment shall, however, not be due and owing until thirty (30) days from date of acceptance.
- 3. PACKAGING AND SHIPMENT:** All items are to be suitably boxed, wrapped or crated so as to be protected against hazards of shipment, storage and exposure. All packages shall be labeled to show the number of this purchase order, weight, name of item and material of which it is made. Itemized packing slips showing the number of this purchase order must accompany each delivery and Seller shall mail a copy to Buyer at destination address at time shipment is made. Buyer's count shall be conclusive in the absence of a packing slip. No separate charge shall be made for cartons, wrapping, packing, boxing, crating, delivery, drayage or other costs, unless otherwise agreed. Where transportation charges are to be prepaid by Seller and billed to Buyer, the amount thereof shall be separately stated on the invoice and supported by receipted transportation bills. Seller assumes all risks in connection with the goods ordered herein until delivery to Buyer as specified.
- 4. WARRANTY:** Seller warrants that all articles will be merchantable, will be free from defects in material and workmanship, and will conform to applicable specifications and descriptions set forth herein or furnished by Buyer. This warranty is in addition to warranties created by operation of law. Buyer's approval of designs furnished by Seller shall not relieve Seller of its obligations under this article. These warranties of Seller, together with its service guarantees, shall survive inspection, test and acceptance and shall run to Buyer and subsequent owners and users.
- 5. INSPECTION:** Seller shall provide and maintain an inspection system adequate to insure that all work being performed and supplies delivered conform to the requirements of this contract.
- 6. CHANGES:** Buyer may at any time, by a written order and without notice to sureties, make changes with the general scope of this contract. If any such change causes an increase or decrease in the cost of, or the time required for the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Failure to agree to any adjustment shall be a dispute within the meaning of the Dispute Clause of this contract. However, nothing in this clause shall excuse Seller from proceeding with this contract as changed.
- 7. DEFAULT:** Buyer may, by a written order, terminate this contract in whole or in part if Seller: (1) fails to make delivery of the supplies or perform the services within the time specified in this contract or any extension thereof; (2) fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of ten (10) days (or such longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such failure; or (3) becomes insolvent

or fails to provide additional assurances of financial solvency or of performance when it reasonably appears that Seller is not or will not be financially solvent or may not perform in accordance with the contract and additional assurances are requested by Buyer.

If Buyer terminates part of the work under this contract, Seller shall continue performance of this contract to the extent not terminated. If Buyer elects not to terminate under this clause, he shall promptly notify Seller, in writing, of this election and Seller shall continue performance of this contract. Such election shall not prevent Buyer from pursuing any other remedy available under this contract or at law or from terminating for any subsequent breach.

If Seller's default is not the result of an excusable delay, Buyer may purchase supplies or services similar to those so terminated and Seller shall be liable to Buyer for any excess costs for such similar supplies or services and other damages it may suffer. If Seller's default is the result of an excusable delay of a type other than those next set forth herein, Seller shall not be liable for excess costs of repurchasing similar supplies or services or other damages. If Seller's default is the result of an excusable delay caused by an act of Buyer, or it is determined that Seller was not in default under the provisions of this contract, payment for completed supplies delivered to and accepted by Buyer shall be at the contract price.

8. DISPUTES: Any claim or controversy relating to this contract or arising out of the performance hereof which is not disposed of by agreement shall be decided by Buyer who shall reduce such decision to writing and furnish a copy to Seller. The decision of Buyer shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, Seller mails or otherwise furnishes to Buyer written notice that it desires to contest the decision of Buyer. Such contest shall be considered a "dispute" within the meaning of this contract. Each dispute shall, at the election of Buyer, be disposed of by a court of competent jurisdiction in the county of Buyer's place of business.

9. COMPLIANCE WITH LAW: This contract shall be construed under and its terms interpreted in accordance with the law of the place of business of Buyer designated on the face of the Purchase Order. Seller further agrees to comply with applicable State, Federal and local law and any regulation or order of any authorized government agency, and Seller agrees to indemnify, defend and hold Buyer harmless from any loss, damage or liability resulting from a breach on the part of Seller of any such law, regulation or order.

10. TAXES: The contract price shall include all applicable Federal, State and local taxes in effect on the contract date, whether or not separately stated. Seller shall pay said taxes and hold Buyer harmless therefrom.

11. DELAY: Seller shall immediately notify Buyer in the event of any threatened or actual labor dispute or any other matter which may delay Seller's performance hereunder, the anticipated duration of the delay and the causes thereof. For the purpose hereof, excusable delays are those delays which arise out of causes beyond the control and without the fault or negligence of Seller, including, but not restricted to, Acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, acts of Buyer, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of supplier(s) of Seller arising from causes beyond the control and without the fault or negligence of both Seller and supplier(s) provided Seller could not have obtained the supplies or services from other sources in sufficient time to permit Seller to meet the required delivery schedule.