

Purchase Order Terms and Conditions

1. ACCEPTANCE

This order is accepted by Seller promptly mailing to Buyer its written acceptance within ten (10) days of the order's date or by commencement of performance by Seller. Acceptance is limited to the terms and conditions of this order. This order, with any attachments, constitutes the entire agreement of the parties. No waiver or modification or additions to the terms of this order shall be valid unless in writing and signed by the parties.

2. PRICES

Buyer shall not be billed at prices higher than those stated. Unless otherwise specified, the price stated includes all charges for packing, hauling, storage and transportation to point of delivery. Seller will pay all delivery charges in excess of any delivery charge Buyer has agreed to pay. The price stated includes all taxes except state or local sales or use tax or similar taxes which Seller is required by law to collect from Buyer. Such taxes, if any, shall be separately stated in Seller's invoice and paid by Buyer unless an exemption is available.

3. DELIVERY

Time is of the essence. Seller will assure that all goods and services are delivered within the time specified by Buyer unless excused in writing. Substitutions will not be accepted. Except as otherwise provided herein, Buyer shall not be obligated to accept untimely, excess or under shipments and such shipments in whole or in part may, at Buyer's option, be returned to Seller, or held for disposition at Seller's expense and risk.

4. WARRANTIES

Seller warrants that the goods and services covered hereunder will conform to applicable specifications, instructions, drawings, data and samples will be merchantable, of good material and workmanship, free from defects and fit and sufficient for the purpose intended. These warranties shall be in addition to all other warranties, express or implied. Payment for, inspection or acceptance of, or receipt of articles or services shall not constitute a waiver of any breach of warranty.

5. INSPECTION AND TESTS

All goods ordered hereunder will be subject to inspection and testing by Buyer to the extent practicable at all times and places, including the period of manufacture and in any event prior to acceptance. If the goods delivered do not meet the specifications or otherwise do not conform with the requirements of this order, Buyer shall have the

right to reject such goods. Goods which have been delivered and rejected in whole or in part may, at Buyer's option, be returned to Seller or held for disposition at Seller's risk and expense.

6. DRAWINGS AND USE OF INFORMATION

Seller shall keep confidential all information, drawings, specifications, or data furnished by Buyer, or prepared by Seller specifically in connection with the performance of this order, and shall not divulge or use such information, drawings, specifications or data for the benefit of any other party. Except as required for the efficient performance of this order, Seller shall not make copies or permit copies to be made without the prior written consent of Buyer. Seller agrees that all information furnished or disclosed to Buyer by Seller in connection with the placing or filling of this order is, unless otherwise agreed to by Buyer in writing, to be treated as confidential or proprietary. In no event will Seller use, either directly or indirectly, any such data or any information derived therefrom for any purpose other than to perform this order without obtaining Buyer's prior written consent.

7. TERMINATION

Buyer may terminate the performance of the work under this order in whole at any time, or from time to time in part, by written notice to Seller. Upon receipt of such notice, Seller shall, unless the notice directs otherwise, immediately discontinue all work and the placing of all orders for materials, facilities and supplies in connection with the performance of this order and shall proceed to cancel promptly all existing orders and terminate all subcontracts insofar as such orders or subcontracts are chargeable to this order. Provided Seller has fully complied with its obligations under this order and these terms and conditions, Buyer will pay to Seller the reasonable percentage, as determined by Buyer, of the total order price corresponding to the proportion of the amount of work completed and ready to be delivered on the date of termination as Seller's full compensation for the work completed under this order and upon Buyer's payment to Seller in accordance with this paragraph, title to all equipment, materials, work-in-progress, finished products, plans, drawings, specifications, information, special tooling and other things for which Seller has paid shall vest in Buyer. Nothing contained in this paragraph shall be construed to limit or affect any remedies which Buyer may have as a result of a default by Seller.

8. DEFAULT -- CANCELLATION

Buyer reserves the right, by written notice of default, to cancel this order, without liability to Buyer, in the event of the insolvency of Seller, the filing of a voluntary petition in bankruptcy by Seller or similar event, If Seller fails to perform as specified herein, or if Seller breaches any of the terms hereof, Buyer reserves the right, without any liability to Buyer, upon giving Seller notice, to (i) cancel this order in whole or in part, by written notice to Seller and Seller shall be liable to Buyer for all damages, losses and liability incurred by Buyer directly or indirectly resulting from Seller's breach, or (ii) obtain the goods ordered herein from another source with any resulting excess cost will be chargeable to Seller. The remedies herein provided shall be cumulative and in addition to any other remedies provided at law or in equity.

9. FORCE MAJEURE

Neither party shall be liable for defaults or delays due to Acts of God, acts or demands of any Government or any Governmental agency, strikes, fires, floods, accidents, or other unforeseeable causes beyond its control and not due to its fault or negligence. Each party shall notify the other in writing of the cause of such delay within five (5) days after the beginning thereof.

10. COMPLIANCE WITH LAWS

Seller agrees to fully observe and comply with all applicable federal, state and local laws, rules, regulations and orders pertaining to the production and sale of the goods ordered and any services provided, and, upon request Seller shall furnish Buyer reasonable evidence of compliance with such laws, rules, regulations and orders.

11. EQUAL OPPORTUNITY

Buyer is an equal opportunity employer. The Equal Opportunity Clause in Section 202 Executive Order No. 12466, amended, relative to Equal Employment Opportunity, and the implementing rules and regulations of the Office of Federal Contract Compliance, and Section 503 of the Rehabilitation Act, are incorporated herein by specific references.

12. INDEMNIFICATION

Seller agrees to indemnify and hold harmless Buyer, its successors and assigns, customers and users of its products against all suits at law or in equity and from all damages, claims and demands arising out of the death or injury to any person or damage to any property alleged to have resulted from the goods hereby ordered, and, upon the tendering of any suit or claim to Seller, to defend the same at Seller's expense as to all costs, fees and damages. The

foregoing indemnification shall apply whether Seller or Buyer defends such suit or claims and whether the death, injury or property damage is caused by the sole or concurrent negligence of Seller or otherwise.

13. PATENT INDEMNIFICATION

Seller shall indemnify and save harmless Buyer, its successors, assigns, customers or users of its products, from and against all loss, liability and damage, including costs and expenses, resulting from any claim that the manufacture, use, sale or resale of any goods supplied under this order infringe any patent or patent rights, and Seller shall when notified, defend any action or claim of such infringement at its own expense.

14. ASSIGNMENT

Neither this order nor any rights or obligations herein may be assigned by Seller nor may Seller delegate the performance of any of its duties hereunder without, in either case, Buyer's prior written consent.

15. APPLICABLE LAW AND JURISDICTION

The validity, interpretation and performance of these terms and conditions shall be governed by the laws of the state of Buyer's home office. The parties hereby consent to the exclusive jurisdiction of the state and federal courts in the location of Buyer's home office.

16. ETHICS

Buyer's suppliers are required to conduct business in a manner that would not, in any way, compromise the ethical principles required of Buyer's procurement and materials personnel. Among other prohibited conduct, Seller shall not offer to Buyer's personnel money, gifts of other than nominal value, excessive hospitality, loans, or other special treatment that might influence, or appear to influence purchasing decisions. Seller shall also refrain from proposing or entering into reciprocal agreements that restrain competition.