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## 1. ACCEPTANCE:

Seller acknowledges and agrees that these General Terms and Conditions are incorporated in, and a part of, this purchase order and each purchase order or release, whether expressed in written form, by electronic data interchange or other tangible format, relating to the goods and/or services to be provided by Seller pursuant to this purchase order. Seller acknowledges and agrees that it has read and understands these General Terms and Conditions. If Seller accepts this Purchase order in writing or commences any of the work or services which are which are consistent with performance of this Purchase order, Seller will be deemed to have accepted this Purchase order and these General Terms and Conditions in their entirety without modification. Any additions to, changes in, modifications of, or revisions of this Purchase order which Seller proposes will be deemed to be rejected by Buyer except to the extent that an authorized employee of Buyer expressly agrees to accept any such proposals in writing.

## 2. SHIPPING AND BILLING:

### 2.1 Shipping; Seller to:

- 2.1.1 Properly pack, mark goods as instructed by Buyer in accordance with any applicable laws or regulations
- 2.1.2 Not charge for costs relating to handling, packaging, storage or transportation
- 2.1.3 Provide packing slips with each shipment that identify Buyer's purchase order and release number and the date of the shipment
- 2.1.4 Promptly forward the original bill of lading or other shipping receipt with respect to each shipment as Buyer instructs.

### 2.2 Billing; Seller will:

Payment terms are established by this Purchase order and are measured from the date Buyer receives the goods or services. Buyer may withhold payment for any goods or services until Buyer receives evidence, in such form and detail as Buyer requires, of the absence of any liens, encumbrances and claims on such goods or services.

### 2.3 Taxes:

- 2.3.1 Unless otherwise stated in this Purchase order, the price includes all applicable federal, state, provincial, and local taxes other than sales, value added, or similar turnover taxes or charges. Seller will separately invoice Buyer for any sales, value added, or similar turnover taxes or charges that Seller is required by law to collect from Buyer.
- 2.3.2 Seller will provide Buyer with whatever information and documentation that is required under local law in order to enable Buyer to recover any sales, value added, or similar turnover taxes or charges.

### 2.4 Delivery Schedules:

- 2.4.1 Deliveries will be made in the quantities, on the dates, and at the times specified by Buyer in this Purchase order or any subsequent releases or instructions.
- 2.4.2 Buyer may change the rate of scheduled shipments or direct temporary suspension of scheduled shipments without entitling Seller to a price adjustment or other compensation.

### 2.5 Premium Shipments:

- 2.4.3 If Seller fails to have goods ready for shipment in time to meet Buyer's delivery schedules using the method of transportation originally specified by Buyer, Seller to ship

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the goods using a premium method of transportation, and will be responsible for the entire cost of such premium shipment, unless Buyer's actions caused Seller to fail to meet Buyer's delivery schedules, in which case Buyer will pay any costs for premium shipment.

### 3. QUALITY AND INSPECTION:

3.1 Buyer may at any time require Seller to implement testing or quality control changes where quality nonconformances are detected. While Buyer will endeavor to discuss any such changes with Seller as early as practical, Seller will promptly implement such changes.

3.2 Seller will participate in Buyer's supplier quality and development programs and comply with all engineering release and validation requirements and procedures, including Buyer's production part approval processes, which Buyer specifies from time to time.

3.3 Seller will permit Buyer and its customers or consultants to enter Seller's facilities at reasonable times to inspect such facilities and any goods, inventories, work-in-process, materials, machinery, equipment, tooling, fixtures, gauges and other items and processes related to Seller's performance of this Purchase order.

### 4. NON-CONFORMING GOODS:

Buyer is not required to perform incoming inspections of any goods. If Buyer rejects any goods as non-conforming, Buyer may, at its option exercise any other applicable rights or remedies including to arrange for the shipment of any non-conforming goods back to Seller at Seller's expense. Seller will bear all risk of loss with respect to all non-conforming goods and will promptly pay or reimburse all costs incurred by Buyer to return, store or dispose any non-conforming goods. Buyer's payment for any non-conforming goods will not constitute acceptance by Buyer, limit or impair Buyer's right to exercise any rights or remedies, or relieve Seller of responsibility for the non-conforming goods.

### 5. NO CHANGE AGREEMENT

Seller agrees to make no changes to the original requirements of this purchase order without written agreement from buyer. Such changes include but are not limited to:

- a. product nomenclature, product codes or product numbers
- b. product physical properties
- c. test methods if such changes impact product performance
- d. manufacturing location
- e. process changes
- f. product packaging or labeling
- g. other changes which might affect product performance, or regulatory status

### 6. FORCE MAJEURE:

If Seller is unable to produce, sell or deliver any goods or services covered by this Purchase order, or Buyer is unable to accept delivery, buy or use any goods or services covered by this Purchase order, as a result of an event or occurrence beyond the reasonable control of the affected party and without such party's fault or negligence, then any delay or failure to perform under this Purchase order that results from such event or occurrence will be excused for only so long as such event or occurrence continues, provided, however, that the affected party gives written notice of each such delay to the other party as soon as possible after the event or occurrence (but in no event

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more than three (3) days thereafter). Such events and occurrences may include, by way of example and not limitation, natural disasters, fires, floods, windstorms, severe weather, explosions, riots, wars, sabotage, labor problems (including lockouts, strikes and slowdowns), equipment breakdowns and power failures.

During any delay or failure to perform by Seller, Buyer may purchase substitute goods from other available sources, in which case the quantities under this Purchase order will be reduced by the quantities of such substituted goods.

#### 7. WARRANTY:

General. Seller warrants and guarantees to Buyer that the goods and services covered by this Purchase order will conform to the then current release/revision level based on the date Buyer's release is issued to Seller.

#### 8. INGREDIENTS AND HAZARDOUS MATERIALS:

If Buyer requests, Seller will promptly furnish to Buyer, in such form and detail as Buyer directs, a list of all ingredients in the goods, (b) the amount of all ingredients, and (c) information concerning any changes in or additions to the

#### 9. INDEMNIFICATIONS:

Infringement. Seller will defend, hold harmless and indemnify Buyer and its customers, and their respective successors and assigns, against any claims of infringement including patent, trademark, copyright, moral, industrial design or other proprietary rights, or misuse or misappropriation of trade secret and resulting damages and expenses including, without limitation, attorney and other professional fees and disbursements relating to the goods or services.

#### 10. COMPLIANCE WITH LAWS:

Seller, and any goods or services supplied by Seller, will comply with all applicable laws, rules, regulations, orders, conventions, ordinances and standards of the country of origin and destination or that relate to the manufacture, labeling, transportation, importation, exportation, licensing, approval, performance and/or certification of the goods or services, including, but not limited to, those relating to environmental matters, wages, hours and conditions of employment, discrimination, occupational health/safety and motor vehicle safety.

#### 11. INSURANCE:

Seller will maintain insurance coverage as required by applicable law.

#### 12. SELLER'S EQUIPMENT:

Seller, at its expense, will furnish, keep in good condition, and replace when necessary all of its machinery and equipment, including related tooling, jigs, dies, gauges, fixtures, molds, patterns, fixtures and other accessories, required for the production of goods covered by this Purchase order.

#### 13. BUYER'S PROPERTY AND INFORMATION:

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13.1 Acquisition of Tooling and Materials. To the extent that this Purchase order covers Buyer's purchase of, or reimbursement to Seller for, any tooling, jigs, dies, gauges, fixtures, molds, patterns, equipment, supplies, materials and other items to be used in connection with Seller's actual or anticipated supply of goods to Buyer, Seller will acquire such Tooling and Materials as agent of Buyer and Buyer shall pay to or reimburse Seller the lower of the amount specified in this Purchase order for such Tooling and Materials or Seller's actual out-of-pocket cost to acquire the Tooling or Materials from an unrelated third party or, if the Tooling and Materials are constructed or fabricated by Seller or any affiliate of Seller, the actual direct costs for materials, labor and overhead associated with such construction and fabrication.

13.2 Bailment of Buyer's Property. All Tooling and Materials which Buyer furnishes, either directly or indirectly, to Seller or which Buyer buys from, or gives reimbursement to, Seller in whole or in part will be and remains the property of Buyer and be held by Seller on a bailment basis. Title to all replacement parts, additions, improvements and accessories purchased by Seller will vest in Buyer immediately upon attachment to or incorporation into Buyer's Property.

#### 14. CUSTOMS AND EXPORT CONTROLS:

Customs-Trade Partnership against Terrorism. To the extent any good covered by this Purchase order are to be imported into the United States of America, Seller shall comply with all applicable recommendations or requirements of the Bureau of Customs and Border Protection's Customs-Trade Partnership against Terrorism ("C-TPAT") initiative. Upon request, Seller shall certify in writing its compliance with the C-TPAT initiative.

#### 15. NO ADVERTISING:

Seller will not, in any manner, advertise or publish that Seller has purchase ordered to furnish Buyer the goods or services covered by this Purchase order or use any trademarks or trade names of Buyer in Seller's goods, advertising or promotional materials unless Buyer consents in advance in writing.

#### 16. RELATIONSHIPS OF PARTIES:

Seller and Buyer are independent purchase ordering parties. Nothing in this Purchase order makes either party the agent or legal representative of the other for any purpose whatsoever, nor grants either party any authority to assume or create any obligation on behalf of or in the name of the other party.

#### 17. SEVERABILITY:

If any provision of this Purchase order is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such provision will be deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Purchase order will remain in full force and effect.

#### 18. RIGHT TO AUDIT AND INSPECT:

Buyer, at its expense, has the right to audit practices and procedures, in order to (i) substantiate any charges and other matters under this Purchase order and assess Seller's ongoing ability to perform its obligations under the Production Purchase Order. Seller will provide Buyer with

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reasonable access to its facilities and otherwise cooperate and facilitate any such audits by Buyer.

19. ENTIRE AGREEMENTS:

This Purchase order, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced in this Purchase order, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in this Purchase order and supersedes all prior oral or written representations and agreements. This Purchase order may only be modified by a written purchase order amendment issued by Buyer.

Document Change History:

Revision	Date	Description	Author
( - )	05/03/11	Initial Release	L. Piscitelli