

Purchase Order Terms and Conditions

1. **FINAL TERMS AND CONDITIONS.** Any acceptance of any Purchase Order from Purchaser, is limited to acceptance of the express terms of the offer contained on the face of the Purchase Order and these terms and conditions. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance shall not operate as a rejection of this offer unless such variance is in the terms of the description, quantity, price, or delivery schedule of the goods or services purchased under this purchase order, but shall be deemed a material alteration thereof and this offer shall be deemed accepted by Seller without said additional or different terms. If the Purchase Order shall be deemed an acceptance of prior offer by Seller, such acceptance is expressly conditioned on Seller's assent to the terms contained herein without change or addition. At any time prior to Purchaser's receipt of Seller's written acceptance of this Purchase Order, Purchaser may revoke its Purchase Order. Pricing in any quote submitted by Seller shall remain firm for thirty (30) days after Purchaser's receipt of the Seller's quote and Pricing shall not be increased after a Purchase Order is submitted to Seller within said thirty (30) day period.
2. **INSPECTIONS.** All goods and services received by the Purchaser under this Purchase Order are subject to Purchaser's inspection and approval, and risk of loss of any rejected goods is on Seller and any rejected goods may be returned at Seller's expense, including any transportation and other charges and expenses paid by the Purchaser in connection therewith. The Seller shall permit Purchaser's inspection and/or representatives to have access to Seller's plant at all reasonable hours for the purpose of inspecting any items covered by this Purchase Order or work in progress for production of said items. At the time of inspection Seller shall make available to the Purchaser's representatives, copies of all drawings, specifications and processes applicable to the articles ordered herein. Any inspection acceptance by Purchaser shall not relieve Seller of any obligations hereunder or otherwise.
3. **NO ASSIGNMENT.** Neither this Purchase Order nor any interest under it shall be assignable by Seller, voluntary or involuntary, nor shall a sub-contract be made with or delegation of duties made to any other party for the furnishing of any of the complete or substantially completed articles, spare parts or work covered by this Purchase Order, without Purchaser's prior written consent. Any such consent given shall not be deemed to waive or prejudice Purchaser's right to recoupment and/or set off of claims arising out of this or any other transaction with Seller or to settle or adjust matters with Seller without notices to assignees.
4. **WARRANTY.** The Seller warrants and guarantees that all goods and services covered by this Purchase Order will be in strict accordance with the specifications and drawings or other descriptions furnished by the Purchaser and that all such goods and services shall be free from defects in material, workmanship or design for twelve (12) months after the date of first use, whether such first use is by Purchaser or Purchaser's customer. If any defect shall appear in the goods and/or services, Purchaser will notify Seller thereof and the Seller thereupon, shall immediately correct the defect or defects by repair or by replacement without expense to the Purchaser, provided the equipment has been given proper and normal industrial and commercial usage. These warranties shall be in addition to any other warranties expressed, implied or statutory. All warranties shall run to Purchaser, its customers, and subsequent owners of the goods and products of which they are a part.
5. **PATENT INDEMNITY.** Seller hereby agrees to indemnify, hold Purchaser harmless and defend Purchaser from and against all claims, liabilities, losses, damages, or expenses, including attorney's fees, by reason of any actual or alleged infringement of letters patent, or of any litigation based thereon covering any goods purchased hereunder.
6. **REQUIREMENT UNDER THE LAW.** Seller represents and warrants that goods sold hereunder were manufactured or produced in full compliance with all applicable requirements of Fair Labor Standards Act as amended and of regulations and orders of the U. S. Labor issued thereunder. Further, the Seller certifies that he is in full compliance with public law 91-596 entitled "The Federal Occupational Safety and Health Act of 1970" and all amendments thereto. In addition, the provisions of Section 202 paragraphs 1 through 7 of Executive Order 11246 as amended are incorporated herein by reference and Seller agrees to comply therewith and not discriminate against any employee or applicants for employment because of race, creed, color, national origin or sex. Seller shall comply with any and all federal, state, county, municipal and local laws, statutes, ordinances, enactments and regulations applicable to this order. Seller hereby agrees to indemnify, hold Purchaser harmless and defend Purchaser from any and all losses, costs, expense and damage, including attorney's fees, sustained by Purchaser for Seller's failure to comply with the provisions of this paragraph.
7. **WAIVER.** Any waiver of strict compliance with the terms of this order must be in writing and shall not be a waiver of Purchaser's right to insist on strict compliance thereafter.
8. **DELIVERY AND PRODUCTION.** Time is of the essence in the performance of this Purchase Order and all deliveries are to be made both in quantities and at times specified in this Purchase Order. The requested delivery date on the face of this Purchase Order shall constitute the delivery schedule unless otherwise agreed in writing by Purchaser. Seller agrees to notify Purchaser immediately if at any time it appears that the delivery schedule set forth herein may not be met. Such notification shall include in detail the reasons for any possible delays; steps being taken to remedy any such problems and a recovery schedule with revised delivery dates, if Seller is of the opinion that such a revised date is required; provided, however, it is understood and agreed that Seller shall take all reasonable actions to expediate any shipments expected to be delayed, at Seller's sole cost and expense, so as to remedy any expected delays in shipment. Purchaser will have no liability for payment for articles delivered to Purchaser which are in excess of quantity specified. Articles shipped to Purchaser in advance of the time specified may, at the option of the Purchaser, be returned to Seller at Seller's expense. If not returned, the invoice covering same will be considered as being dated as of the "wanted" date and the permissible cash discount taken on that basis. Further, Seller will not be liable for damages or delays on delivery due to causes beyond its reasonable control. If Seller, however, for any reason, does not substantially comply with the Purchaser's delivery schedule, Purchaser at his option may either approve a revised delivery schedule or may terminate the order without liability to Seller on account thereof. Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Purchaser's delivery schedule. It is Seller's responsibility to comply with the schedule, but not anticipate Purchaser's requirements.
9. **FIRM PRICES.** Prices are firm, are not subject to any contingency or escalation, and include all applicable taxes, duties, tariffs and all other governmental charges unless otherwise stated in the purchase order. Seller assumes all obligations relating to any increases in taxes, duties, tariffs and all other governmental charges, and all direct or indirect costs of any taxes, duties, tariffs, or governmental charges imposed after the date of Purchaser's purchase order, including any increased direct cost of the sale or shipment of the goods or services purchased or the indirect costs of any parts or components used in the manufacture of the goods purchased. No charges of any kind, including charges for boxing or cartage, will be allowed unless specifically agreed to by Purchaser in writing. Price is to cover net weight material unless otherwise agreed. Purchaser shall have no obligation to Seller except for payment of goods properly delivered to and accepted by Purchaser, and Seller shall not be entitled to receive any additional recovery from Purchaser for losses, profits, consequential damages, cancellation charges, or other loss or damage of any other nature whatsoever.
10. **TOOLS, ETC.** Unless otherwise agreed, in writing, all tools, dies, castings, equipment, drawing, specifications or material of any description furnished to Seller by Purchaser, or specifically paid for by Purchaser, and any replacement thereof, shall be and remain the personal property of Purchaser. Such property and whenever practicable, each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as the property of Purchaser and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Purchaser's property and shall not use such property in filling Purchaser's orders. Such property, while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense, in an amount equal to replacement costs with loss payable to Purchaser, and shall be subject to removal at Purchaser's written request, in which event the Seller shall prepare such property for shipment and shall redeliver to Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted. Upon completion and/or termination of the Purchase Order and prior to final invoice payment, Seller shall furnish Purchaser with a list of all tools, equipment, or material subject to this clause, for disposition instructions from Purchaser.
11. **INDEMNITY.** Seller hereby agrees to indemnify, release, defend, and save harmless the Purchaser, its directors, officers, Seller's, agents, representatives, successors, and assigns, whether actively in the course of their employment or otherwise, against any and all suits, actions, or proceedings at law or in equity, and from any and all claims, demands, losses, judgments, damages, costs, expenses (including attorney fees) or liabilities, resulting from the death or injury to any person, including, without limitation, officers and employees of the Seller and of the Purchaser, or damage to any property (including, without limitation, Purchaser's and Seller's property) arising out of or in any way connected with the performance of this Purchase Order, the furnishing of

- services or products under this Purchase Order, any defects in the goods purchased or Seller's negligence (regardless of whether any act, omission, or negligence of Purchaser, its directors, officers, employees, agents, representatives, successors, and assigns contributed thereto).
12. **INSURANCE.** The Seller shall maintain occurrence based general liability insurance from an insurance company with an AM Best rating of no less than A that has a limit of liability not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, with Purchaser identified as an additional insured thereunder. Whenever Seller is required, under this Purchase Order, to furnish services on the premises of the Purchaser, the Seller must then provide the public liability, property damage, workers compensation, and employers liability insurance reasonably acceptable to Purchaser. Prior to any work under this contract, the Seller agrees to provide the Purchaser with certificates of any insurance required hereunder which are reasonably satisfactory to the Purchaser, and which must provide that such insurance may not be cancelled or modified except upon thirty (30) days prior notice to Purchaser. Nothing contained in these insurance requirements shall be construed as limiting the extent of Seller's responsibility for payment of damages under this agreement or applicable law.
 13. **CHANGES TO ORDER.** Purchaser may make changes from time to time during the course of the Purchase Order to: (a) Change shipping and packing instructions, (b) Increase or decrease the quantity of products ordered, (c) Change the drawings of specifications and, (d) Make changes in the delivery schedule. If such changes cause an increase or decrease in the amount of work hereunder or in the cost of performance, or in the time required for performance, an equitable adjustment shall be made in the contract price and/or delivery schedule and the Purchase Order amended in writing accordingly, however, in no event shall Purchaser have any liability for consequential or incidental damages or for loss or anticipatory profits of either Seller or Seller's suppliers.
 14. **TITLE AND RISK OF LOSS.** Title to and risk of loss on all goods sold by Seller to Purchaser hereunder shall pass to Purchaser F.O.B. destination point unless a different F.O.B. point is designated on the face of this Purchase Order. Cost of all return shipments for whatever reason shall be borne by Seller with title and risk of loss passing at Purchaser's plant, unless otherwise specified by Purchaser at the time of return.
 15. **PAYMENTS.** Unless otherwise noted on the face of this Purchase Order, all payments shall be due net 60 days from the later of the date of invoice or Purchaser receipt of the goods. Cash discount periods will be computed from the date of Purchaser's receipt of the goods ordered or the invoice therefore, whichever is later. Delays in receiving invoices or the goods, errors, or omissions on invoices, or lack of supporting documentation required by the conditions of this order, will be cause for withholding payment without losing discount privilege. Payment of invoice shall not constitute acceptance of goods or services and shall be subject to adjustment for error, shortages, defects, or other failure of Seller to meet the requirements of this order.
 16. **FINAL AGREEMENT / NO MODIFICATIONS.** The terms and conditions of this Purchase Order as stated herein are the entire agreement between the parties and the Purchaser shall not be bound by any oral or implied agreements. No modifications hereof shall be binding upon the parties, unless in writing, and signed by both parties hereto. No oral or other statement, representative or inducements have been made or relied upon by the parties and no usage of the trade or course of dealing shall be used to contradict, supplement, or explain the terms hereof. This Purchase Order shall be construed and the rights and the liabilities of the parties hereunder shall be determined in accordance with the laws of the State in which purchases primary manufacturing facility is located. If Purchaser so elects, jurisdiction and venue shall be exclusively in any state or federal court located closest to the primary manufacturing facility and Seller hereby consents to said jurisdiction and venue. For cost-plus, time and materials, and similar arrangements, the Buyer shall have the right, but not the obligation, to perform a reasonable audit of the records of Seller to confirm compliance with such arrangements.
 17. **UNITED STATES-MEXICO-CANADA AGREEMENT (USMCA).** If applicable, Seller agrees to become familiar with the requirements of USMCA, provide annual certification to Purchaser of USMCA qualification, maintain adequate records to support such qualification, and follow all applicable regulations under USMCA when issuing certificates of origin and/or other documents which allow Purchaser to take advantage of the duty free status.
 18. **EXPORT COMPLIANCE.** Seller shall establish and maintain an export compliance program sufficient to ensure compliance by all of its respective operating units with all applicable laws and regulations pertaining to the export of goods. Seller shall provide Purchaser with the export control classification number of the goods, shall maintain export records as required under applicable law, and notify Purchaser if any goods are restricted or controlled products.
 19. **CONFIDENTIALITY.** With respect to the confidential information of Purchaser (the "Information"), the Seller shall: (i) hold all such Information in confidence with the same degree of care with which it protects its own confidential and proprietary Information, but with no less than reasonably prudent care; (ii) restrict disclosure of such Information solely to its Affiliates, employees, contractors, and agents with a need to know such Information, advise such persons of their confidentiality obligations with respect thereto, and ensure that such persons are bound by obligations of confidentiality reasonably comparable to those imposed in this Agreement; and (iii) except as permitted or required under this Agreement, not use, sell, assign, lease, license, copy, distribute, or otherwise commercially exploit any such Information (or allow anyone else to do so) and ensure that any copies bear the same notices or legends, if any, as the originals. Except for a Purchaser's Information and trade secrets, Seller shall have no obligation to the other with respect to Information that: (i) at the time of disclosure was already known to the Party free of any obligation to keep it confidential, as evidenced by the Party's written records prepared prior to such disclosure; (ii) is or becomes publicly known through no wrongful act of the Purchaser; (iii) is lawfully received from a third party, free of any obligation to keep it confidential; (iv) is independently developed by the Seller or a third party, as evidenced by the Seller's written records and where such development occurred without any direct or indirect use of or access to such Information received from Seller; or (v) Purchaser consents in writing is free of restriction.
 20. **TERMINATION FOR CONVENIENCE.** Purchaser may at any time, for its own convenience and without cause, by providing Seller notice, terminate any purchase order in whole or in part. Purchaser shall pay Seller for services rendered and product delivered through the date of termination.

Shipping Instructions

1. The Seller shall make shipment as instructed on the face of this order, if no instructions are given, Seller shall pack or otherwise prepare all articles for shipment so as to assure the lowest transportation rates consistent with timely delivery, meeting carrier's requirements and safeguarding against damage from weather, transportation, and storage. Shipment shall be made by freight carrier unless charges are approximately the same.
2. Purchaser's Purchase Order number and part number shall be placed on the outside of all packages, boxes, kegs, bales, bundles, or other types of containers, and must appear on all invoices, shipping memos, delivery tickets, freight bills, and all other documents relating to this order.
3. When material is invoiced by Seller and shipped by another concern, the invoice shall bear the name of the shipper and the point from which shipment originated. It is the Seller's responsibility to assure, when material is shipped by another concern, that Purchaser's Purchase Order number with the Seller be referenced on the outside of all packages, boxes, kegs, bales, bundles, or other types of containers, as well as on the packing list contained within the containers. Within a reasonable time after acknowledgement of this order, Seller shall notify Purchaser of any such shipments including name of supplier, part number, item description and your Purchase Order number with sub-tier supplier to permit prompt identification upon receipt. Local and warehouse shipments of steel and bar stock should be marked or tagged in the same manner to permit prompt identification upon receipt.
4. All shipments must contain packing lists giving description of material, quantity, part number, and Purchase Order number. The Purchaser's count shall be accepted as final on all shipments by the company by packing lists. Where the face of the Purchase Order does not indicate that shipment is to be made f.o.b. destination, Seller shall insure all shipments for an amount equal to the value of the goods being shipped, but not less than \$100.00.