

## Purchase Order Terms and Conditions

1. Complete Agreement - This Purchase Order, including these general conditions and any specifications or attachments hereto, constitutes the sole and entire agreement between the parties. The Seller's quotation is incorporated in and made a part of this Purchase Order only to the extent of specifying the nature and description of the goods, work and/or services ordered, and then only to the extent that such items are consistent with the other terms of this Purchase Order. No other terms or conditions shall be binding upon Buyer unless accepted by it in writing.
2. Changes – Terminations
  - a. Buyer may, by written change order, make changes in the specifications or drawings or increase or decrease the quantities originally ordered. If any such change affects the amount due or the time of performance hereunder, an equitable adjustment shall be made.
  - b. In the event of cancellation, substantial modification, or delay of the project or program for which these goods, work or services are ordered, Buyer may terminate this agreement by written notice as to all or any part of the goods not shipped or work or services not completed prior to receipt by Seller of said notice. As to goods which are standard manufactured items, Buyer's only obligation shall be to pay for goods shipped to Buyer prior to receipt by Seller of notice of termination. As to goods specially manufactured for Buyer, Seller shall stop all work on receipt of notice of termination, unless otherwise directed by Buyer, and Buyer shall pay reasonable costs incurred by Seller directly connected with this order, including costs and cancellation charges actually incurred by Seller under subcontracts, and when necessary to avoid undue hardship, an allowance for overhead and profit on such costs incurred. As to work or services, Buyer's only obligation shall be to pay for the portion of the work or services completed at the time of receipt by Seller of notice of termination, determined by multiplying the percentage completed by the total price for the work or services. Such payment shall not exceed the total price of this order and shall be reduced by any refunds or salvage values available to Seller and the aggregate amount of any previous payments to Seller. Upon such payment, title to material and goods shall pass to Buyer. Buyer reserves the right to audit Seller's computation of any payments claimed under this clause.
  - c. If Seller shall default in any respect under this agreement or become insolvent or if a petition in bankruptcy or insolvency is filed by or against Seller under any state or federal law, Buyer may terminate this order or the undelivered or uncompleted part thereof immediately upon written notice to Seller.
3. Price and Payment – Any amount invoiced in excess of a not to exceed purchase order will not be paid. If changes arise an additional approval of charges will be required and a new purchase order must be obtained prior to the commencement of any additional work to receive payment. The price herein specified shall, unless otherwise expressly stated, exclude all sales, use and excise taxes and duties which either party is required to pay with respect to the sale of the goods, work or services covered by this agreement, but shall include all charges for packing and loading. Any taxes, freight and duties shall be shown as separate items on invoices. The risk of loss from any casualty to the goods, regardless of the cause, shall be on the Seller until the goods have been accepted by Buyer. Payment will be made in accordance with the applicable provisions of this Purchase Order. Unless otherwise indicated, payment terms will be computed from the date of receipt of properly executed invoices and paid net 30 days.
4. Nonconformance - Buyer may return any goods which are defective, unsatisfactory, or of inferior quality or workmanship, or fail to meet the specifications of this order. Such goods shall, unless used by Buyer, remain the property of Seller, and may be returned at Seller's risk and expense. Equipment or service shall conform to all local, state and federal codes and standards.
5. Work or Services on Buyer's Premises; Insurance; Indemnity - Seller will protect and indemnify Buyer against any and all claims, which may arise in connection with the fulfillment of this Purchase order. Any limitation of the liability or responsibility of Seller by provisions of Seller's delivery tickets or other instruments shall be entirely ineffective.
6. Shipping - Seller shall suitably pack, mark and ship in accordance with applicable laws, instructions, if any, from Buyer and the requirements of common carriers to secure the lowest transportation costs. Seller shall procure insurance for the full value of the goods against loss from any cause during transportation and such insurance shall insure the Seller's and the Buyer's interest as they appear. Seller shall be liable for any difference in freight charges or damage to the goods by its failure to comply therewith. Seller will send Buyer, as soon as the goods have been forwarded, a notice of shipment giving order number, car number and initials, if any, and a condensed description of the goods; otherwise, Seller is liable for any demurrage charges incurred. If the quantity ordered is sufficient, cars shall be loaded to minimum capacity, otherwise, the Seller agrees to pay the excess freight.
7. No Assignment - Any assignment of this Purchase Order or of any rights hereunder or hypothecation thereof in any manner in whole or in part, by operation of law or otherwise, without the prior written consent of Buyer shall be void.