1. Acceptance of Contract. All orders for goods, materials, work or services to be performed ("goods") become a contract subject exclusively to the terms and conditions set forth herein when accepted by acknowledgment or commencement of performance by Seller and such terms and conditions will control the agreement between the parties. No change in such terms and conditions shall be valid unless agreed to in writing by an authorized officer of Buyer.

2. Delivery. Time is of the essence. Failure to deliver by the required delivery date specified in Buyer's order may result in substantial damages to Buyer due to commitments to its customers. In addition to its other remedies, Buyer may cancel an order in whole or in part without liability to Seller if delivery is not made within the time specified on the order.

3. Transportation and Packaging. Damage and/or loss resulting from improper packaging, preparation or loading shall be charged to Seller.

4. Title, Risk of Loss, Inspection, and Acceptance of Goods. Title and to risk of loss shall pass and acceptance of the goods shall take place when such goods have been delivered to Buyer's specified destination and have passed Buyer's inspection and tests. In no event shall payment be deemed to constitute acceptance.

5. Prices. Buyer is liable only for the price indicated on this order. If the price is omitted from the order, Seller shall invoice at the price last quoted to Buyer or paid by Buyer for such goods in equal quantities. Seller warrants that the prices for the goods are not less favorable than the current or any subsequently lower current or available prices for similar or comparable goods. Seller shall notify Buyer of any price change resulting from changes in labor, raw material, component, transportation or other cost, or resulting from changes in such conditions, similar to those specified in Buyer's order. If Seller establishes or offers a lower price for the sale of such goods in such quantities, Seller agrees to reduce the prices hereof correspondingly. Seller shall also ensure that the prices of any item will be allowed unless specifically agreed to in writing in advance by Buyer.

6. Warranties. (a) Buyer shall have the right to all Buyer's remedies set forth in Buyer's warrants to the fullest extent provided under applicable Federal Uniform Commercial Code, including, but not limited to, warranties of merchantability and fitness, and such remedies and warranties shall survive inspection, tests, acceptance and payment.

(b) Seller represents and warrants that all goods delivered are free of liens or other claims of ownership. Seller further represents and warrants that all goods sold to Buyer shall be designed and manufactured in accordance with industry standards and meet Buyer's specifications.


(d) Insurance. Seller shall maintain, at its sole cost and from reputable insurance companies, liability insurance, insurance covering owned, hired and non-owned vehicles with a limit of not less than $2 million per occurrence; (iv) professional liability insurance with a limit of not less than $1 million per occurrence; and (v) any other insurance required by law or as reasonably requested by Buyer. General commercial general liability and automobile liability policies must name Buyer, its directors, officers, employees and agents as additional insureds and, to the extent permitted by law, cover over all rights of recourse of Buyer. Insurance policies shall not be materially changed, cancelled or altered without written notice to Buyer at least 30 days prior to the effective date of such change. Insurance certificates evidencing such insurance shall be delivered to Buyer within ten (10) business days after the date of this Agreement.

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9. Patent/Copyright. Except when Buyer approves all drawings and specifications for the goods, Seller shall defend, protect and save Buyer, its successors, assigns, customers and users harmless from all claims, liability, costs or expenses (including, without limitation, court costs, court and attorney fees), whether in law or in equity, arising out of or existing because of the infringement or alleged infringement of any patent or copyright for or on account of the manufacture, sale or use of any goods furnished hereunder.

10. Counterfeit Goods. If Buyer becomes aware or suspects it has furnished counterfeit goods, Seller shall immediately notify Buyer. Seller agrees that if counterfeit goods are found to have been supplied in breach of this Agreement or in sale of such goods, Seller agrees to reduce the prices hereof correspondingly. Seller will also grant access to Buyer, its employees, agents and assigns for the purpose of checking whether counterfeit goods are supplied in breach of this Agreement. If Seller fails to comply with the requirements of this paragraph, Seller agrees to make any and all declarations, representations, certifications and other commitments or agreements as required by Buyer, undertake to comply with all laws and regulations and to reimburse Buyer for all cost and expenses reasonably incurred by Buyer in connection with such checks or inspections.

11. Manufacture and Material Commitments. Seller shall not make commitment for materials nor fabricate in advance of time necessary to permit shipment on delivery dates unless authorized in writing by the Buyer.

12. Cancellation. Buyer shall have the right by written notice to cancel, suspend or modify the goods and services to be furnished by Seller under Buyer's order. Buyer shall only be liable to Seller for the agreed upon price for goods accepted by Buyer and for Seller's costs for reasonable and incurred through the time of cancellation not otherwise usable or sellable by Seller, net of salvage value.

13. Limitation of Liability. Regardless of cause, fault or grounds: (a) in no event shall Buyer be liable for advice, opinions, recommendations or for any consequential, indirect or incidental loss or damage; (b) in no event shall Buyer's total liability exceed the purchase price payable to Seller for the specific goods giving rise to the claim under this order.

14. Default. Buyer reserves the right, by written notice to cancel any order without liability to Buyer in the event of (i) Seller's insolvency, (ii) Seller's filing of a voluntary Petition of Bankruptcy, (iii) the filing of an involuntary petition to have Seller declared Bankrupt, (iv) the appointment of a Receiver or Trustee or Seller, or (v) the execution by Seller of an Assignment for the Benefit of Creditors. If Seller fails to perform, or breaches any of the terms, Buyer may, at its option, do any or all of the following: (a) rescind the order and proceed to obtain substitute goods and/or services; (b) if performance is not possible or would have been impractical, Buyer may cancel the order in whole or in part by written notice to Seller, or (ii) after notifying Seller of such failure or breach and of Buyer's intent to exercise such right, to obtain the goods and/or services from such other source or sources as Buyer may determine.