

PURCHASE ORDER TERMS & CONDITIONS

This order is subject to all of the terms and conditions herein each of which the seller agrees to by acceptance of this order. Only such terms and conditions shall constitute the agreement between the parties. The following terms and conditions apply to this purchase order.

1. **Agreement** - By shipping the goods ordered hereby or acknowledging receipt hereof or performing the work requested hereby Seller agrees to the terms and conditions set forth herein and in any attachments hereto, none of which may be added to, modified, superseded or otherwise altered except by a written instrument signed by an authorized representative of Buyer and delivered to Seller. Any different or additional items in Seller's acceptance of this order are hereby rejected, notwithstanding any terms or conditions that may be contained in any acknowledgement, invoice or other document of Seller and notwithstanding Buyer's act of accepting or paying for any shipment or similar act of Buyer. If this offer shall be deemed an acceptance of a prior offer by Seller, such acceptance is expressly conditioned on Seller's written assent to any additional or different terms contained herein.
2. **Warranty** - Seller expressly warrants that all materials and articles covered by this order or other description or specification furnished by Buyer will be in exact accordance with such order, description or specification and free from defects in material and/or workmanship, and merchantable. Such warranty shall survive any inspection, delivery, acceptance, or payment by Buyer of said materials or articles, and Buyer reserves the right to cancel this order, without liability to Seller, for breach of such warranty. Any deviations from this order or specifications furnished hereunder, or any other exceptions or alterations, must be approved in writing by Buyer.
3. **Shipment** - Shipments shall be made in accordance with Buyer's shipping instructions which are subject to revision with respect to undelivered quantities. Buyer reserves the right to cancel all or any part of the undelivered portion of this order if Seller does not make deliveries as specified or if Seller breaches any of the terms hereof. Any unauthorized quantity is subject to rejection, and such goods will be held at Seller's risk and may be returned at Seller's expense. Seller shall advise Buyer immediately of any shortage or delay in shipment. Time is of the essence of this order.
4. **Invoices; Packages** - Invoices, shipping notices and test reports must be rendered in duplicate together with original bills of lading or express receipts not later than the day following shipment. Each package shall be numbered and labeled with Buyer's order number, code number shown in each caption, and contents, and shall contain an itemized packing slip. Buyer's order number and code number shown in each caption must appear on invoices and shipping notices.
5. **Inspection** - Delivery shall not be deemed to be complete until, and goods will be received subject to, Buyer's inspection and acceptance at destination, notwithstanding any agreement to pay freight, express or other transportation

charges, and risk of loss or damage in transit shall be on Seller. Defective goods or goods not in accordance with Buyer's specifications may be rejected by Buyer, and Buyer, at its option (without prejudice to any other legal remedy), may hold such goods at Seller's risk or return same to Seller at the latter's risk and/or expense. If inspection discloses that part of the goods received are not in accordance with Buyer's specifications, Buyer shall have the right to cancel any unshipped portion of this order. Defects are not waived by acceptance of or payment for the goods or by failure to notify Seller thereof. Seller and Buyer each agrees to cooperate with the other if either party desires to file a claim against a third party for any loss of or damage to the goods in transit.

6. **Price** - Prices recorded in this order are not subject to increase. If Seller's quoted prices for the goods covered by this order are reduced (whether in the form of a price reduction, close-out, rebate, allowances, or additional discounts offered to anyone) at time of any shipment, Seller agrees that the price to the Buyer for such goods will be reduced accordingly, and that Buyer will be billed at such reduced prices. If price is not stated in this order, it is agreed that the goods shall be billed at the price last quoted, or billed at the prevailing market price, whichever is lower. This order must not be filled at a price higher than last quoted or charged without Buyer's specific authorization. Seller represents that the prices and terms of purchase and any allowances available shall be in full compliance with the Robinson Patman Act.
7. **Extra Charges** - No additional charges of any kind, including charges for boxing, burlapping, packing, cartage, storage, insurance or other extras will be allowed unless specifically agreed to in writing in advance by Buyer.
8. **Cancellation** - Buyer reserves the right to any time and from time to time without cause to cancel all or any part of the undelivered portion of this order by notice to Seller. In the event of such cancellation, Buyer shall not be liable to Seller for loss of anticipatory profits. The provisions of this paragraph shall not limit or affect Buyer's right to terminate this purchase order for default of Seller.
9. **Compliance with Applicable Law** - This order is placed by Buyer with the understanding, and, in accepting the same, Seller warrants that all applicable federal, state and local laws, regulations, rules and ordinances including those pertaining to noise, pollution and safety standards, will be complied with in connection with the manufacture and sale of the merchandise ordered hereby and the performance hereof. Seller further warrants that any equipment furnished pursuant to this order will meet existing federal and state noise, pollution and safety standards. Seller further agrees to abide by existing federal and state standards pertaining to non-discrimination in hiring and promotion practices, including the non-discriminatory provisions of Executive Order 11246, as amended. Seller agrees in the performance of this order to comply with the provisions of the Fair Labor Standards Act of 1938, as amended. Seller further agrees that it will not discriminate against any employee or qualified applicant for employment because he or she is a disabled veteran or veteran of the Vietnam Era (Section 402 of the Vietnam Era Readjustment Act of 1974); or because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified (Section 503 of the Rehabilitation Act of

1973). Seller further agrees to comply with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to such Act or Acts, as amended.

10. **Release** - Seller waives all rights to make claim or file suit against Buyer for, and releases Buyer from all liability or responsibility of any kind arising from, the death of or injury to persons or destruction of property sustained in connection with performance of this order except that caused by the intentional misconduct of Buyer or its employees acting within the scope of their employment.
11. **General Indemnity** - Seller assumes the risk of all damage, loss, cost, and expense, and agrees to indemnify and hold harmless Buyer, its officers, agents and employees, from and against any and all liability, damage, loss, cost and expense which may accrue to or be sustained by Buyer, its officers, agents or employees on account of any claim, suit or action made or brought against Buyer, its officers, agents or employees for the death of or injury to persons or destruction of property involving Seller, its employees, agents and representatives, sustained in connection with performance of this order, arising from any cause whatsoever except intentional misconduct of Buyer or its employees acting within the scope of their employment.
12. **Patent Infringement** - Seller will exonerate, indemnify and hold harmless Buyer, its affiliated corporations and their successors or assigns, and their customers, officers, agents and employees, from and against any and all liability, damage, loss, cost or expense which may accrue to or be sustained on account of any claim, suit or action made or brought against any of them for actual or alleged infringement of any patent for or on account of the manufacture, sale, resale or use of any goods furnished hereunder or any part thereof, and Seller will defend any such claim, suit or action at Seller's expense, and Buyer (and any party against whom any such claim, suit or action is brought) may be represented by its own counsel in connection with any such claim, suit or action.
13. **Force Majeure** - Failure of Buyer to take delivery hereunder, or delay in taking shipments, if occasioned by fire, explosion, flood, earthquake, war, riots, insurrection, civil disturbance, accident, storm, interruption or delay in transportation, shortages, strike or other labor dispute, inability to obtain materials and supplies, acts of government, any act of God, or any other causes of like or different character beyond Buyer's control shall not subject Buyer to any liability to Seller. At Buyer's option, the total quantity covered by this order may be reduced by the amount of omitted shipments or the specified delivery period extended by a time equal to that during which shipments shall be so omitted and such shipments made during the period of extension.
14. **Assignment** - This order and Seller's duties hereunder may not be delegated or assigned by Seller without Buyer's written consent, and any assignment attempted without such consent shall be null and void and shall effect, at Buyer's option, a cancellation of all of Buyer's obligations hereunder. Buyer may assign this order and its interest therein to any affiliated corporation, or to any corporation succeeding to Buyer's business without the consent of Seller.

15. **Entire Agreement** - This order, together with any attached specifications and drawings, constitutes the entire final written agreement between the parties and is a complete and exclusive statement of all of the terms of such agreement.
16. **Conflict with Applicable Law; Severability** - No term or condition herein shall be effective or binding to the extent that it may be illegal or require an illegal action. If any provision of these terms and conditions shall be judged by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such adjudication shall not affect or modify any other provision of these terms and conditions and the effect thereof shall be confined to the provision as to which such adjudication is made.
17. **Interpretation** - This order shall be construed according to the laws of the State indicated in the heading of this document. The application of the United Nations Convention on Contracts for the International Sales of Goods (1980) is excluded.
18. **Conflict Minerals** - Supplier must provide material that is "DRC conflict free" as defined by applicable SEC rules. Any required conflict mineral content must be from recycled or scrap sources or originate from outside of the DRC Covered Countries. Material that contains conflict minerals that originated in a DRC Covered Country will be deemed non-conforming and unacceptable.



Earle M. Jorgensen Company

3/2014