

BINDING TERMS AND CONDITIONS OF PURCHASE

DATED: APRIL 26, 2016

1. OFFER. This offer to purchase ("Purchase Order") is expressly conditioned on Seller's assent to all of the terms and conditions set forth herein. This Purchase Order shall supersede all additional or different terms that may be stated in Seller's quotation or other Seller form, document, paper, invoice, bill of lading, or other communication, including all prior and contemporaneous agreements or understandings, whether written or oral, with respect to the subject matter contained herein, and any terms that may be implicit from the course of conduct or business dealings, all of which shall not be binding on the Buyer. Any attempt by Seller to interpose different or additional terms or conditions, or to in any respect alter or reject the terms and conditions contained in this Purchase Order shall not become part of the contract for sale between the Buyer and the Seller. This Purchase Order shall be accepted by commencement of performance by Seller. Buyer's obligations are limited to those contained herein. In no event will Buyer be legally or financially responsible for any services performed or goods delivered except as set forth on the front of this Purchase Order.
2. WARRANTY. Seller expressly warrants that all goods meet Buyer's specifications in all respects, are merchantable, are fit for the particular purpose(s) for which Buyer intends to use such goods, and are free from defect. Additionally, Seller expressly warrants that all services will be performed in a professional and workmanlike manner consistent with generally accepted industry standards and shall meet Buyer's specifications in all respects. No attempt by Seller to disclaim any warranty, express or implied, shall be effective, and every such attempt to disclaim any warranty, express or implied, is expressly rejected by Buyer, its successors, assigns, and/or customers. Seller expressly warrants that any and all specifications for any goods or services provided hereunder shall not be changed or modified in any manner without the express, prior written consent of the Buyer.
3. WARRANTY OF TITLE AND NON-INFRINGEMENT. All title conveyed shall be good and its transfer free and clear from any security interest, lien, or encumbrance of which the Buyer, at the time of contracting, has no knowledge. This warranty will be excluded or modified only by specific language or circumstances which give Buyer reason to know that the Seller does not claim title or that the Seller is purporting to sell only such right or title as Seller may have. Furthermore, Seller warrants that the goods delivered and the services performed hereunder shall be free of the rightful claim of any third-party for infringement of any right or interest, including without limitation any right to intellectual property.
4. BREACH. In the event of breach by Seller of the terms and conditions of this Purchase Order, Seller shall be liable to Buyer for (i) all remedies available to a purchaser of goods under the Uniform Commercial Code (UCC), including without limitation all actual and consequential damages suffered by Buyer as a result of Seller's breach and (ii) all other remedies at equity or at law, including all actual and consequential damages suffered by Buyer as a result of Seller's breach. No attempt by Seller to limit remedies available to Buyer shall be effective, and every such attempt to limit Buyer's remedies is hereby expressly rejected by Buyer.
5. NO WAIVER. No claim or right arising out of a breach of the terms and conditions of this Purchase Order can be discharged in whole or in part by a waiver or renunciation of the claim or right unless such waiver or renunciation is supported by consideration and is in writing signed by Buyer and Seller.
6. COMPLIANCE WITH STATUTES AND REGULATIONS. Seller guarantees, warrants and certifies it is in compliance and will continue to comply with all federal, state and local laws and regulations, violation of which may cause liability to accrue to Buyer, and by all applicable statutes, rules, regulations, acts, and orders of the United States or of any state or political subdivision thereof, including, but not limited to those related to, labor, wages, hours and other conditions of employment.
7. INDEMNIFICATION. Seller shall protect, defend, indemnify, and hold Buyer, its employees, directors, officers, affiliates, distributors, and dealers, harmless from and against any and all expenses, claims, losses, demands, damages, or causes of action of every kind and character, including reasonable legal fees, arising out of (i) any actual or asserted violation of any federal, state, or local law, or regulation relating to the goods sold, supplied, or delivered or services performed hereunder; (ii) goods in which the possession, distribution, sale and/or use of, or by reason of seizure of, results in a prosecution or any action whatsoever by any governmental body or agency or by any private party; (iii) any actual or asserted third party claim of bodily injury, death or property damage relating to the goods delivered and the services performed hereunder; (iv) Seller's negligence; (v) breach of warranty; and (vi) patent, copyright and/or trademark infringement or alleged infringement arising out of or related to Buyer's use of the goods or services purchased hereunder. Seller shall pay and discharge any and all judgments or decrees, including legal fees, which may be rendered in any such suit, action, or proceeding. If Buyer sustains monetary damage or legal fees as a result of any goods or services delivered and if such liability or exposure is found to be Seller's fault, full or contributory, Seller shall be fully responsible for such damages sustained by Buyer and/or its employees, directors, officers, affiliates, distributors, and dealers, including legal fees and expenses.
8. PATENT, COPYRIGHT, AND TRADEMARK PROTECTION. This Purchase Order includes payment in full for all rights to and interest in all intellectual property, including without limitation, patent, copyright and trademark rights, contained within the goods delivered or services performed hereunder. Seller shall not be entitled to any additional payment by virtue of the presence of any right to or interest in any such intellectual property contained in the goods or services covered by this Purchase Order. Furthermore, Seller hereby agrees to cooperate with Buyer to secure the protection of such intellectual property rights and will, if needed, execute all documents appropriate for securing protection of such intellectual property rights.
9. DELIVERY. Time is of the essence. Buyer may, in addition to other rights and remedies, terminate this Purchase Order and purchase substitute goods or services elsewhere and Seller shall be responsible for any loss incurred by Buyer if delivery or performance by Seller is not complete within the stipulated time. Buyer reserves the right to cancel any undelivered and/or unaccepted goods or unperformed and/or unaccepted services, if any portions of the goods or services do not meet Buyer's specifications in any way or manner. Buyer reserves the right to cancel the entire Purchase Order if after receiving and accepting goods or services in anticipation of future goods and services under this Purchase Order, any such part thereof fails to conform to any of the terms of the Purchase Order or does not meet Buyer's specifications in any way or manner. Buyer reserves the right to make changes to quantity, specifications and/or delivery schedules.
10. RISK OF LOSS. Risk of loss shall pass to Buyer only at the time goods are delivered to Buyer's location, regardless of mode of transportation, and accepted by Buyer.
11. PACKAGING, LABELING AND DOCUMENTATION. All goods are to be packed in suitable containers for protection in shipment and storage. When containers or packaging material is furnished by Buyer, Seller agrees to package the goods in the packaging material in quantities and carton sizes as specified by Buyer. Seller will be held responsible for loss or damage of such goods. An itemized packing slip bearing Buyer's order number and quantities shipped must accompany each delivery. Each container must be marked to show Buyer's order number and quantity contained therein. Buyer's count will be accepted as conclusive on shipment not accompanied by a packing slip.
12. INSPECTION. Buyer shall have the right to inspect goods prior to shipment. All shipments are subject to Buyer's inspection, count and approval. Buyer's inspection, or waiver thereof, shall not relieve the Seller from full responsibility for conforming to the requirements of this Purchase Order, nor prejudice any claim, right or privilege Buyer may have due to use of defective or unsatisfactory goods. If upon inspection any goods are found at any time to be non-conforming to the warranties expressly made herein or implied by law, defective in material or workmanship, or otherwise not in conformity with the requirements of this Purchase Order, Buyer, in addition to any other rights it may have, shall have the right to reject and return the goods at the Seller's expense. Seller shall not resell goods from damaged shipments. Damaged shipments shall be held by Buyer at Seller's risk and expense. Buyer shall be solely responsible for disposal of damaged shipments at Seller's expense.
13. INSURANCE. Seller shall be responsible for any death, bodily injury, or property damage resulting from Seller's performance of this Purchase Order and hereby represents and warrants that Seller is carrying adequate insurance to cover such liabilities. Seller shall maintain primary and non-contributing Products Liability insurance of not less than \$1,000,000 combined single limit (Bodily Injury and Property Damage) including Buyer as additional insured, with provision for at least 30 days prior written notice to Buyer in the event of cancellation or material reduction of coverage, and upon request, promptly submit satisfactory evidence of such insurance. Unless otherwise specified, all ocean freight, air freight, parcel post, air mail, and express shipments must be insured at invoiced value of goods.
14. PRICE AND PAYMENT TERMS. If no price is specified on this Purchase Order, the goods and/or services furnished hereunder shall be billed at the price set forth in the associated statement of work, work order, or other writing agreed to by Buyer and Seller. Where no other written agreement specifies the agreed to price, Seller shall bill Buyer for the price last quoted to Buyer, or the prevailing market price, whichever is lower. Payment for undisputed invoices will be due net sixty (60) days, unless otherwise negotiated between Buyer and Seller in writing, after receipt of the invoice by Buyer, or acceptance of goods and services by Buyer, whichever is later. If any Seller invoice is subject to any payment discount, the discount period shall be calculated from the date the invoice is received by Buyer's accounts payable department.
15. NOTICE OF REGULATORY INSPECTION. Seller shall provide Buyer with prior notice of, and the opportunity to attend (itself or through a representative of Buyer), any regulatory inspection of any facility at which any of the manufacturing, processing, testing or storage activities relating to the goods are performed ("Covered Activities"); provided, that if prior notice of any such inspection is not possible, Seller shall provide notice and a summary of the results of such inspection to Buyer within three (3) business days after such inspection. Seller shall provide Buyer with copies of any written inspection reports, requests, directives or other correspondence or communications issued to Seller by any regulatory authority relating to the Covered Activities or the goods ("Regulatory Communications") within three (3) business days of Seller's receipt thereof. Prior to responding to any Regulatory Communications, Seller will provide a copy of any such responses to Buyer for Buyer's review and comment.
16. SET-OFF. Buyer shall be entitled at all times to set-off any amount owing from Seller to Buyer, or any of its affiliated companies, against any amount due or owing to Seller with respect to this Purchase Order.
17. ASSIGNMENT. Seller shall not assign this Purchase Order or any interest, obligation, or duty contained herein, including any payment due or to become due without Buyer's prior written consent.
18. FORCE MAJEURE. Seller agrees any change deemed by Buyer to make it advisable or necessary that this Purchase Order be cancelled or any labor dispute, strike, war, riot, civil disorder, casualty or disaster, by Act of God or public authority which renders it impossible for Buyer to perform this Purchase Order, shall entitle Buyer to terminate this Purchase Order by notice to Seller. Seller shall immediately discontinue all work and the placing of all orders for materials, articles and/or equipment in the performance hereof, cancel all of Seller's existing, outstanding orders, upon receipt of such notice of termination, and no additional payment shall be due or owing by Buyer to Seller.
19. CANCELLATIONS FOR INSOLVENCY. In the event of any suspensions of payment or the institution of any proceedings by or against Buyer or Seller, voluntary or involuntary, in bankruptcy or insolvency or under any provisions of the United States Bankruptcy Act or for the appointment of a receiver or trustee or an assignment for the benefit of creditors of Buyer or Seller or in the event of a breach of any of the terms hereof including warranties of Seller, Buyer or Seller shall be entitled to cancel this Purchase Order without affecting any rights of the other party.
20. SECURITY. While performing services on Buyer's premises, Seller and its personnel will comply with all of Buyer's security procedures, rules, regulations, policies, holiday, and office/working schedules and will use best efforts to minimize disruption to Buyer's normal business operations.