



SUPPLIER BUSINESS TERMS & CONDITIONS

1. **ACCEPTANCE:** Delivery of goods after receipt of Purchase Orders shall be deemed on acceptance of buyer's offer, & acceptance of these Terms & Conditions.
2. **INVOICES:** Seller must provide a separate invoice for each shipment. Invoices must bear buyer's purchase order # and complete description of contents.
3. **PACKING_LISTS:** packing lists must accompany each case or parcel, showing purchase order number and complete description of contents.
4. **SHIPMENTS:** All goods shall be suitably packed, marked and shipped in accordance with requirements of common carriers, in a manner to secure lowest transportation costs unless otherwise specified, and no additional charge shall be made to buyer therefore or for cartage unless stated herein. Any excessive freight costs incurred by reason of seller's failure to follow such shipping instructions will be charged to seller. Seller shall properly mark each package with buyer's purchase order number, and where multiple packages comprise a single shipment, each package shall be consecutively numbered. Order number and package numbers shall be shown on all packing slips, bills-of-lading and invoices.
5. **DELIVERY:** Time is of the essence of this contract and deliveries are to be made both in quantity and at the time specified or scheduled by buyer. Buyer will have no liability for payment of material or items delivered to buyer which are more than the quantity specified in the delivery schedule. Buyer may from time to time change delivery schedules (postponement only) or direct temporary suspension of scheduled shipments.
6. **PRICES:** Where price is not specified in this order, seller's price shall not be higher than last quoted or charged to buyer unless otherwise agreed in writing.
7. **TAXES:** Seller's prices shall be exclusive of any federal, state or local sales, use or excise taxes and seller shall list separately in its invoice any such tax lawfully applicable to this transaction and payable by buyer, with respect to which buyer does not furnish statement of exemption.
8. **CONFIDENTIALITY:** All technical and commercial information or ideas which buyer has supplied or shall supply seller, but excluding information in the public domain or in seller's possession in tangible form before receiving such information from buyer (collectively called "confidential information") is proprietary to buyer and has been disclosed in confidence to seller for the limited purpose of enabling seller to comply with the terms of the purchase order. Seller shall not without buyer's prior written consent use or disclose such confidential information for any purpose other than in connection with the supply of materials or product to the buyer. All such information which is in tangible form shall be returned to buyer by seller upon demand, and in any event when no longer needed to fulfill seller's obligations to buyer hereunder. Seller agrees that any benefit or



property derived by seller from any unauthorized use of confidential information shall be the sole exclusive property of buyer

9. **BUYER'S PROPERTY:** All materials, including dies, tools, molds gauges, fixtures and patterns, which are furnished or specifically paid for by buyer shall be the property of buyer, shall be subject to removal at any time without additional cost upon demand by buyer, shall be used only in filling orders for buyer, shall not be copied, shall be kept separate from property of seller, and shall be clearly identified as the property of buyer. Seller shall, at its own expense, keep all such materials in good condition, and seller assumes all liability for loss or damage thereto, except for normal wear or tear, and agrees to supply a detailed inventory of such material at monthly intervals or as otherwise agreed upon. The cost of changes in the aforementioned items, necessary to effect design or specification changes ordered by buyer, shall be paid for by buyer.
10. **BUYER'S DEFAULT:** Should buyer breach any provisions of the contract; any action must be commenced within one year after the cause of action accrued.
11. **SELLER'S DEFAULT:** Should seller fail to perform or comply with any provisions of this order, including the delivery schedule, buyer may terminate this order in whole or in part and may consider such failure or noncompliance as a breach of this contract. Buyer expressly retains all its rights and remedies provided by law, in the case of such breach, and no action by buyer shall constitute a waiver of any such right or remedy provided. However, that buyer shall acquire no rights, except its right of cancellation and refund of any advances, by reason of delays caused by action of government, allocations, strikes, unavoidable accidents, delays of carriers, fire or causes beyond seller, if notice of such cause for delay is given buyer within 10 days of seller's first knowledge of its occurrence. If reasonable ground arises to cause buyer to feel insecure with respect to performance of seller, buyer may, in writing, demand adequate assurance of due performance and until buyer receives such assurance, may suspend any performance for which it has not already received the agreed return. Failure of seller to provide within a reasonable time, not exceeding two weeks, such assurance of due performance as is adequate under the circumstances of the case is a repudiation of the contract.
12. **PATENTS:** Seller guarantees that the goods hereby ordered, and the sale or use thereof, will not infringe any United States or Foreign Letters Patent, and seller agrees to indemnify, defend, protect and save harmless buyer, its successors, assigns, customers and users of its products against all suits at law or in equity, and from all damages, claims and demands and attorney's fees and costs for actual or alleged infringement of any patent by reason of the sale or use of the goods hereby ordered, unless the goods so ordered are made to buyer's specifications, drawings or patents, in which case this clause will not apply.
13. **NOTICE OF SUIT:** If buyer is sued for breach of warranty, claim for infringement or other obligation for which seller is answerable over, buyer may, but need not, give written notice of the litigation to seller.
14. **NOTICE OF DELAYS:** If at any time seller has reason to believe that any delivery for any cause whatever will not be made as scheduled, written notice setting forth the length of the anticipated



delay will be given immediately to buyer who shall have the right to cancel all or part of the undelivered part of this order, in addition to its other remedies provided by law.

15. **CHANGES:** Buyer reserves the right, before completion of the order, to make changes in quantities, drawings, specifications, method of shipment or packaging. If such changes cause an increase or decrease in seller's costs, seller shall promptly notify buyer thereof, & an equitable adjustment shall be made.
16. **RISK OF LOSS:** Notwithstanding anything herein to the contrary, the risk of loss of any kind, including loss in transit, shall be borne by seller until goods have been received by the buyer.
17. **ADVERTISING WARRANTY:** seller shall not, without first obtaining the written consent of the buyer, in any manner advertise or publish the fact that seller has furnished or has contracted to furnish the articles herein purchased. For failure to observe this provision, buyer shall have the right to terminate this order without any obligation to accept deliveries after the date of termination or make further payments except for completed articles delivered prior to termination.
18. **CANCELLATION:** In addition to buyer's rights of cancellation provided by law, buyer reserves the right at any time prior to completion of this order and without cause to cancel all or any part of uncompleted portion thereof by written notice to seller. In such event, seller shall be reimbursed only for direct costs incurred by seller in connection with the cancelled portion of this order, not including (a) any costs incurred with respect to goods and services scheduled for delivery more than sixty (60) days subsequent to the date of cancellation, nor (b) any allowance for anticipated profits. No claim by seller for reimbursement shall be allowed unless presented to buyer in writing within sixty (60) days after the date of buyer's notice of cancellation. This clause shall not apply where government contract termination provisions are applicable.