

PO TERMS AND CONDITIONS

1. *Acceptance.* This order becomes a contract when shipment according to schedule of all or any portion of the goods covered by the this order shall be made or when Buyer gives Seller written approval of the price and deliver schedule of the goods as proposed by Seller. Except as provided in the preceding sentence, it is a condition of this order that any provisions printed or otherwise contained in any acknowledgment hereof, inconsistent with or in addition to the terms and conditions herein stated, and any alternation in this purchase order, shall have no force or effect, and that Seller by such acknowledgment thereby agrees that any such provisions therein or any such alternations in this order shall not constitute any part of this contract of purchase and sale. This contract contains the entire agreement of the parties and failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights or of any other rights hereunder.
2. *Inspection, warranty.* Goods delivered (whether paid for or not) are subject to inspection, testing and approval by Buyer before acceptance. Seller expressly warrants that all articles, materials and work will conform to the applicable specifications or other descriptions given in all respects and that the goods delivered hereunder will be of good quality, material and workmanship, merchantable and free from defects. This warranty shall survive any inspection, deliver, acceptance or payment of Buyer of the goods or services.
3. *Non-conforming goods.* All goods not fully up to standard and not in compliance with the specifications hereof or shipped contrary to instructions or in excess of the quantities herein provided or substituted for goods described or not shipped in containers conforming to Buyer's specifications (or in the absence of such specifications in recognized standard containers) or allegedly violating any statute, ordinance or administrative order, rule or regulation, may be rejected by the Buyer and returned or held at Seller's expense and risk. Buyer may charge to Seller all expense or inspecting, unpacking, examining, repacking, storing and reshipping any goods rejected as aforesaid. The remedies hereinabove afforded to Buyer shall not be exclusive but Buyer may hold Seller liable for any and all damages arising from any breach or default hereinabove set forth. Seller shall not delegate or assign any duties or claims under this order without Buyer's prior written consent.
4. *Price and Payment.* Prices recorded in this order are not subject to increase. If price is not recorded on the face of this order, price shall not exceed that of last previous order given by Buyer to Seller.
5. *Delivery time of essence.* Buyer's schedules are based upon the agreement that the goods will be delivered to Buyer by the dates specified on the fact of the purchase order. Time is therefore of the essence and if goods are not delivered within the time specified hereon, Buyer may reject such goods and cancel order. The acceptance of later or defective deliveries shall not be deemed a waiver by Buyer of its right to cancel this order or to refuse to accept further deliveries.
6. *Packing.* Each package shall be numbered and labeled with Buyer's Purchase Order Number, contents and weight, shall contain an itemized packing slip and shall be properly prepaid for shipment so as to secure lowest transportation and insurance rates and to meet carrier's requirements unless otherwise specified.
7. *Warranty against infringement.* Seller warrants that the sale or use of goods of Seller's design will not infringe or contribute to the infringement of any patents or trademarks or copyrights, and Seller shall defend every suit which shall be brought against Buyer for any such alleged infringements and to pay all expenses and fees of counsel which shall be incurred in and about defending every such suit and all costs, damages and profits recoverable in every such suit.
8. *Governing law.* The performance of any work pursuant to this order is and shall be subject in all respects to and in compliance with all laws, rules, regulations and ordinances, proclamations, demands, directives, executive orders or other requirements of the municipal, state and federal governments and all subdivisions thereof which now govern or may hereafter govern the manufacture, sale or delivery of the parts, supplies and goods, contemplated by this order. This purchase order and the acceptance of it shall be a contract made in the State of Illinois, governed by the laws of Illinois. All litigation between the parties hereto must occur in Winnebago County, Illinois.
9. *Indemnification by Seller.* Seller will indemnify, hold harmless and defend Buyer from all liability for loss, damage or injury to person or property in any manner arising out of or incident to the performance of the contract.
10. *Cancellation.* Buyer reserves the right at 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.
11. *Default.* Upon the happening of any one or more of the following events, Buyer shall forthwith have the unrestricted right to cancel and terminate the within contract without cost or liability to the Buyer: (1) Seller's insolvency or inability to meet obligations as they become due; (2) filing of voluntary or involuntary petition of bankruptcy by or against Seller; (3) institution of legal proceedings against Seller by creditors or stockholders; (4) appointment of a receiver for Seller by any court of competent jurisdiction. The acceptance of goods or performance after the occurrence of any of the events above enumerated shall not affect the right of the Buyer to cancel its additional obligations.
12. *Trademark.* If the goods specified within this order are peculiar to Buyer's design or if the goods bear Buyer's trademark or identifying mark, they shall not bear trademark or other designation of the Seller and similar goods shall not be sold or otherwise disposed of to anyone other than Buyer without the written consent of Buyer. The title to any and all drawings and blueprints, jigs, dies, patterns, tools, etc., used in connection with this order shall all times vest in Buyer and shall, upon completion of deliveries hereunder or upon termination of the agreement pursuant to which this order is issued, be delivered to Buyer upon request and Seller assumes all liability for loss thereof or for Seller's failure to return such property to Buyer. Unless authorized by Buyer in writing, Buyer's name, trade name or the name or trade name of any Buyer's subsidiaries or affiliates shall not be used in Seller's advertising.