

PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance/Agreement

Seller's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of this purchase order. Any acceptance of this purchase order whether by commencement of work on the goods subject to this purchase order, shipment of such goods, a written expression, electronic data interchange or other tangible format is limited to acceptance of the express terms of the offer contained herein. Any proposal for additional or different terms or any attempt by Seller to vary any of the terms of this offer in Seller's acceptance is hereby objected to and rejected, but such proposals shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained herein. Additional or different terms or any attempt by Seller to vary any of the terms of this purchase order shall be deemed material and are objected to and rejected, but this purchase order shall not operate as a rejection of the Seller's offer unless it contains variances in the terms of the description, quantity, price or delivery schedule of the goods.

2. Termination

Buyer may at any time terminate this order in whole or in part for its convenience and without fault of Seller and without liability of Buyer except as stated in this Section 2 upon written notice to Seller. In the event of such termination, Seller shall be entitled to reasonable termination charges consisting of a percentage of the order price reflecting the percentage of the work performed prior to termination plus actual direct costs resulting from termination.

3. Confidential Information

The specifications, drawings, designs, manufacturing data, and any other information transmitted to Seller by Buyer in connection with the performance of this purchase order are the property of Buyer and are disclosed in confidence upon the condition that they are not to be reproduced or copied or used for furnishing information or equipment to others or for any other purpose detrimental to the interests of Buyer.

4. Warranties

Seller warrants that all goods and services covered by this order shall conform to the specifications, drawings, samples or other description upon which this order is based, shall be fit for the purpose intended, merchantable, of good material and workmanship and free from defect in material or design. Buyer's inspection, test, acceptance or use of the goods furnished hereunder shall not affect the Seller's obligation under these warranties, and such warranties shall survive inspection, test, acceptance and use. These warranties shall run to Buyer, its successors, assigns and customers and the users of its products. If any goods or services are reasonably determined (including by use of statistical analysis or other sampling) to fail to conform to the warranties set forth in this purchase order, Seller shall promptly replace or correct such nonconformities at Seller's expense and Seller shall reimburse Buyer for all reasonable losses, costs, expenses and damages caused by such nonconforming goods or services. Seller acknowledges these losses, costs, expenses and damages may include, without limitation, those of Buyer and/or its customers arising or resulting from: inspection, sorting, repair, replacement or effecting cover of any nonconforming goods or any system or component that incorporates or uses such nonconforming goods; production delays, interruptions or slowdown; offlining; product recall, field service, and corrective service; and any other incidental, indirect, special or consequential damages incurred. Seller acknowledges that consequential damages are within the contemplation of the parties to this purchase order.

5. Price Warranty

The Seller warrants that the prices for the articles sold to the Buyer under this order are not less favorable than those currently extended to any other customer for the same or like articles in equal or less quantities. In the event Seller reduces its price for such article during the term of this order, Seller agrees to reduce the prices hereof correspondingly.

6. Force Majeure

Buyer shall not be held responsible for acceptance of all or any part of the materials tendered for delivery under this agreement due to federal, state or municipal action, statute, ordinance or regulation, strike or other labor trouble, fire, windstorm or other incidents outside of Buyer's reasonable control which shall make such acceptance impossible or impractical.

7. Patents

Seller agrees, at its own expense, to defend any suit or action against Buyer or against those selling or using the goods or services covered by this order for alleged infringement of patent, invention rights or other intellectual property rights arising from the sale or use of such goods or services and to indemnify and save Buyer harmless from any damages, liabilities, claims, losses, and expenses (including attorney's fees) paid or incurred by Buyer in connection with any such suit or action, whether against Buyer or against those selling or using the goods or services covered by this order; provided, however, that this indemnity shall not apply to any such damages, liabilities, claims, losses or expenses arising out of compliance by Seller with specifications furnished by Buyer.

8. Indemnity and Insurance

Seller shall defend and indemnify Buyer against all damages, liabilities, claims, losses and expenses (including attorneys' fees) arising out of, or resulting in any way from any defect in the goods or services purchased hereunder or from any act or omission of Seller, its agents, employees or subcontractors. Seller shall maintain such public liability insurance, including products liability, completed operations, contractor's liability or protective liability, automobile liability insurance (including non-owned automobile liability) and Workmen's Compensation, and employer's liability insurance as will adequately protect Buyer against such damages, liabilities, claims, losses and expenses (including attorneys' fees). Seller agrees to submit a certificate of insurance, evidencing its insurance coverage and to name Buyer as an additional insured on a primary and noncontributory basis under such coverage when requested by Buyer.

9. Changes

Buyer shall have the right to make changes in drawings, specifications or instructions for work in methods of shipments and packaging and schedules and place of delivery as to any material and the work covered by this order and Seller agrees to comply with such change notices. Such change notices will be in writing and signed by a duly authorized representative of the Buyer. If such changes result in a decrease or increase in the Seller's cost or in the time for performance, an adjustment in the price and time for performance will be made by the parties in writing. Unless Seller presents to the Buyer an itemized statement of claim against the Buyer within 20 days after the receipt of notice of such change, the Seller shall be conclusively deemed to have waived all claims against the Buyer with respect thereto.

10. Inspection/Testing/Rejection

Payment for the goods delivered hereunder shall not constitute acceptance thereof. Buyer shall have the right to inspect such goods and to reject any or all of said goods which are in Buyer's judgment defective. Goods so rejected and goods supplied in excess of quantities called for herein may be returned to the Seller at its expense and, in addition to Buyer's other rights, Buyer may charge the Seller all expenses of unpacking, examining, repacking and reshipping such goods. In the event Buyer receives goods whose defects or nonconformity is not apparent on examination resulting in deterioration of or defect in its finished product, Buyer reserves the right to require the replacement of such product, and the payment of losses, costs, expenses and damages described in Section 4 of this order. Buyer reserves the right to conduct surveillance at Seller's facility to determine whether Seller's quality system meets the requirements of this clause.

11. Buyer's Property

The Seller agrees that the information, tools, jigs, dies, etc., drawings, patterns and specifications supplied or paid for by the Buyer shall be and remain Buyer's property and shall be held by the Seller for Buyer unless directed otherwise. The Seller will account for such items and keep them in good working condition and fully covered by insurance at all times without expense to Buyer.

12. Delivery

The terms of delivery are as stated in the reverse side hereof. Shipments in greater or lesser quantity than ordered may be returned at Seller's expense. Goods which are delivered in advance of schedule are delivered at the risk of Seller and may, at Buyer's option, be returned at Seller's expense for proper delivery and/or have payment therefor withheld by Buyer until the date that the goods are actually scheduled for delivery.

13. Assignment and Subcontracting

This order and any payments to be made hereunder may not be assigned or transferred without prior written approval by Buyer. No invoices may be rendered by others than the named Seller without the written permission of Buyer. All claims for monies due or to become due from the Buyer shall be subject to deduction by the Buyer for any setoff or counterclaim arising out of this or any other purchase orders with the Seller whether such setoff or counterclaim arose before or after such assignment by the Seller.

14. Compliance with Toxic Substance Control Act

Seller further warrants that each and every chemical substance constituting or contained in the products sold or otherwise transferred to the company under this purchase order is on the list of chemical substances compiled and published by the administrator of the Environmental Protection Agency pursuant to the Toxic Substances Control Act (TOSCA) and are otherwise in compliance with said Act.

15. Cancellation for Default

a. Time is of the essence. Buyer may cancel this order in whole or in part in the event that Seller fails or refuses to deliver any of the materials purchased within the time provided, or if it becomes evident that Seller is not conducting the work in accordance with specifications, or with such diligence as to permit delivery on or before the delivery date. In such event, Buyer shall have all of the rights and remedies prescribed by law for Seller's breach, including incidental, indirect, special and consequential damages caused thereby, in addition to those specifically provided for herein. Acceptance by Buyer of all or any part of the material shall not constitute a waiver of any claims which Buyer may have for delays in delivery

b. In the event Buyer cancels this order in whole or in part as provided in paragraph a above, Buyer may procure, upon such terms and in such a manner as Buyer deems appropriate, materials or services similar to those so canceled, and Seller shall be liable to Buyer for any excess cost for such similar materials or services. When cancellation hereunder is only partial, Seller shall continue the performance of this order to the extent not cancelled.

16. Setoffs

Buyer shall have the right to set off any monies owed to Buyer by the Seller (including for breach of contract or warranty) against any monies due Seller from Buyer under any contract between the two parties.

17. Cash Discounts

Cash discount period shall be computed as commencing with receipt of acceptable invoice or acceptable goods, whichever is received later.

18. Compliance with Federal Labor Laws

Seller agrees to comply with all US labor and employment laws, regulations, and Executive Orders applicable to Seller and/or to this Purchase Order, including but not limited to the following: (i) Equal Employment and Affirmative Action, Civil Rights Act of 1964 as amended (42 USC 2000e et. Seq.), EO 11246 as amended, 41 CFR 60-1 et. Seq.; (ii) Rehabilitation Act of 1973 (29 USC 706, 791 et. Seq.); 41 CFR 741; (iii) Vietnam Era Veterans Readjustment Act of 1974 as amended (38 USC 4212), 41 CFR 60-250 and/or 41 CFR 60-300; (iv) Notification of Employee Rights Under Federal Labor Laws EO 13496, 29 CFR 471 Appendix A to Subpart A; and (v) The Fair Labor Standards Act. All of the foregoing are incorporated by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

19. Hazardous Substance Disclosure

Seller shall have disclosed to Purchaser, in writing, prior to the first delivery of the goods ordered hereby, the identity of any hazardous material, substances or waste that is contained in or generated by the goods.

20. Steel Purchases

For Steel Purchases (coil, sheet, bar, or otherwise), suppliers are responsible for providing Certificates of Analysis and proof of compliance to the Dodd-Frank Consumer Protection Action Section 1502.