



Speedline Standard Terms and Conditions of Purchase

NO PERSON IS AUTHORIZED TO BIND BUYER EXCEPT BY PURCHASE ORDER, WHICH IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS IN ADDITION TO THOSE APPEARING ON THE FACE OF PURCHASE ORDER.

1. **Agreement:** This order is Buyer's offer to Seller and becomes a binding contract subject to the terms hereof when accepted by acknowledgement or commencement of performance by Seller. Buyer objects to all additions, exceptions or changes to these terms, whether contained in any printed form of Seller or elsewhere, unless approved by Buyer in writing. To the extent there are any inconsistencies between these terms and those written or referenced on the Purchase Order face, the latter will control.
2. **Price:** Unless otherwise specified, the prices stated on the face of the Purchase Order include all charges for packing, handling, storage, transportation to point of delivery, and taxes. Sales and use taxes not subject to exemption shall be stated separately in Seller's invoice. Seller warrants that the prices quoted in this order are no greater than those currently charged to any other buyer for similar quantities of goods or services. Any price reduction extended to others by Seller prior to delivery shall also be extended to Buyer.
3. **Changes:** Buyer may at any time make changes in the scope or quantity of the goods or services covered by this order or in other terms hereof, in which event an equitable adjustment will be made to any price, time of performance, and other provisions of this order if appropriate. Claim for such an adjustment must be made within fifteen (15) days from the date of receipt by Seller of notice of the change. Substitutions or changes in quantities or specifications by Seller shall not be made without Buyer's prior written approval.
4. **Warranty:**
 - (a) Seller expressly warrants that the goods or services ordered shall be merchantable; shall conform in this order to specifications, drawings, and other descriptions referenced in this order, or to any accepted samples, and shall be free from defects in materials and workmanship; shall be free from defects in design unless the design was supplied by Buyer; and shall be fit and safe for the intended purposes. Seller warrants that it has clear title to the goods and that the goods and services shall be delivered free of liens and encumbrances.
 - (b) All these warranties and other warranties as may be prescribed by law shall extend to Buyer, its successors, assigns and customers and to users of the goods or services and shall run through any expiration date stated on the goods, or, if no expiration date is stated, then to a period of one (1) year after delivery.
5. **Inspection Testing:** Goods purchased under this order are subject to Buyer's reasonable inspection, testing, and approval at Buyer's destination. Buyer reserves the right to reject and refuse acceptance of goods which are not in accordance with this order or Seller's representation or warranties, expressed or implied. Buyer will charge Seller for the cost of inspecting rejected goods. Rejected goods may be returned to Seller, or held by Buyer, at Seller's risk and expense. Payment for any goods under this order shall not be deemed acceptance of the goods.
6. **Recall:** In the event that a recall of the goods themselves, or of a subsequent product containing Seller's goods, is necessitated by a defect, a failure to conform to the specifications, applicable laws, or any other reason within Seller's control, Seller shall bear all costs and expenses of such recall, including without limitation, costs of notifying customers, customer refunds, costs of returning goods, lost profits and other expenses incurred to meet obligations to third parties.
7. **Special Laws:** In filling this order, Seller will comply with all applicable federal, state, and local laws, including the following:
 - (a) Executive Order 11246 as amended, which provides in part that Seller will take affirmative action with regard to recruiting and retaining minorities in all levels of its workplace, including all requirements set forth in Section 202 of the Executive order which are incorporated by reference.
 - (b) Laws prohibiting discrimination on the basis of an applicant's or employee's protected status; and
 - (c) The affirmative action and nondiscrimination requirements provided by 41 CFR 60-250.4(f) and 41 CFR 60-741.4(f) protecting the interests of handicapped workers and disabled and Vietnam-era veterans.Seller also represents that:
 - (d) The goods are consistent with, and can be used in compliance with, the Occupational Safety and Health Act of 1970(OSHA), that services to be performed on Buyer's premises will be consistent with OSHA provisions and that Seller will provide Buyer the latest material safety data sheet (MSDS) for any chemical substance determined to be hazardous.
 - (e) For any order over \$10,000.00 Seller shall have an approved plan for small business concerns and Small disadvantaged business concerns as specified under Public Law 95-507 unless Seller itself is one of those concerns.
8. **Indemnification:** Seller shall defend, indemnify and hold Buyer, its successors, assigns, employees, customers, and users of the goods or services harmless with respect to all claims, liability, damage, loss, and expenses, including attorney's fees, incurred relating to or caused by:
 - (a) Actual or alleged patent, copyright, or trademark, infringement or violation of other property right, arising out of the purchase, sale or use of the goods or services covered by this order;
 - (b) Actual or alleged defects in the services or in the design, manufacture, or material of the goods;
 - (c) Actual or alleged breach of warranty
 - (d) Failure of Seller to deliver the goods or services on a timely basis; or
 - (e) Failure of the goods or services to meet the requirements of applicable laws.

In the event of a claim under this paragraph, buyer may at its option terminate this order or defer acceptance of the balance of the goods or services ordered until the claim is resolved. If Buyer is enjoined from use of the goods, Seller shall, at Buyer's option, either procure for Buyer the right to continue using the goods, replace the goods with substantially equivalent goods, modify the goods so as to be usable by Buyer, or repurchase the goods at the price set forth in this order. This Paragraph 8 shall not be construed to indemnify Buyer for any loss to

the extent it is attributable to Buyer's design, specification, or negligence.

9. Insurance: Seller shall obtain and keep in force for three (3) years after the last delivery under this order general comprehensive liability insurance covering each occurrence of bodily injury an property damage in an amount of not less than \$1Million USD (or any other amount Buyer may indicate in this order) combined single limit with special endorsements providing coverage for:

- (a) Products and Completed Operations Liability;
- (b) Blanket Broad Form Vendor's Liability, and
- (c) Blanket Contractual Liability

If services are performed under this order on Buyer's premises, Seller shall also obtain Premises-Operations, Personal Injury, and Independent Contractors Protective Liability endorsements, and shall further obtain Workers' Compensation, Employer's Liability, and Automobile Liability Insurance coverage in amounts acceptable to Buyer. If requested, Seller shall furnish Buyer with a certificate evidencing the required insurance.

10. Risk of Loss: Seller shall bear the risk of loss or damage to the goods covered by this order until they are delivered to and accepted by Buyer.

11. Buyer-Furnished Material: Seller shall not use, reproduce, appropriate for, or disclose to anyone other than Buyer any material, tooling dies, drawings, designs, or other property or information furnished by Buyer ("Material") without Buyer's prior written approval. Title to all Material shall remain in Buyer's name at all times, and where practicable the Material shall be clearly marked or tagged to indicate this ownership. Seller shall bear the risk of loss or damage to the Material until it is returned to Buyer. All Material, whether or not spoiled or used, shall be returned to Buyer at termination or completion of this order unless Buyer shall otherwise direct.

12. References to Buyer: Except to the extent required by law, Seller shall make no reference, advertisement, or promotion regarding Buyer or Buyer's purchase or use of the goods or services covered by this order without the prior written consent of Buyer.

13. Use of Seller's Information: All information disclosed to Buyer in connection with this order is furnished as part of the consideration for Buyer's placement of this order. This information is not to be treated as confidential or proprietary, and no claim will be asserted against Buyer, its assigns, or customers for its disclosure or use.

14. Termination:

- (a) Buyer may terminate this order, in whole or in part, without liability, if Buyer anticipates Seller's breach of this order and Seller does not provide adequate

assurance of its performance within the (10) days of Buyer's request; if deliveries are not made at the time or in the quantities specified, or in the event of a breach or failure by Seller to meet other terms of this order. This right shall be in addition to any other remedies provided Buyer by law.

- (b) Buyer may terminate this order, in whole or in part, at any time for its convenience by notice to Seller in writing. Seller's sole compensation for such termination shall be payment by Buyer of the percentage of the total order price corresponding to the proportion of work completed in filling the order prior to such notice, plus any reasonable expenses incurred by Seller in terminating orders and work in progress. Such termination claim must be submitted to Buyer within sixty (60) days of the date of termination and shall be subject to audit by Buyer.
- (c) Upon any termination under this paragraph, title to all equipment, materials, work-in-process, finished products, plans, drawings, specifications, information, special tooling, and any other items for which Seller may submit a claim shall vest in Buyer, and Seller shall promptly deliver these items to Buyer and take all necessary action to protect such property prior to such delivery.

15. Assignment Subcontracting: Seller shall not assign this order of subcontract any material portion of the performance of it without Buyer's prior written consent.

16. Controlling Law: This order and the performance under it shall be controlled and governed by the law of the State of Delaware and Seller hereby submits to the jurisdiction of the courts of that state for purposes of resolving any dispute.

17. Electronic Communication and Terms of Acceptance:

Electronic transmission of an order by Buyer to Seller shall be effective as an offer when it is received on the Seller's terminal. Said offer shall be accepted by Seller in any one of the following ways:

- (a) Via electronic transmission of an acknowledgement, acceptance or receipt of the offer and accompanying terms; or
- (b) The shipment of goods called for in the offer.

18. Special/Specific Terms Applicable: Attachments and addendums may from time to time be added to this agreement and when referenced constitute the full agreement of the parties except as noted in 1. above.

19. Scope of Agreement: It is expected that these Terms and Conditions apply to the full scope of business transacted between Buyer and Buyer's entities, divisions, and successors and Seller and Seller's entities, divisions, and successors. This agreement shall be in effect three (3) years from date of execution by the parties.