

PURCHASE ORDER TERMS AND CONDITIONS

READ CAREFULLY. EACH AND EVERY TERM AND CONDITION PRINTED HEREON IS AN INTEGRAL PART OF THIS CONTRACT.

1. **ACCEPTANCE OF PURCHASE ORDER** - This purchase order becomes a binding contract on the terms set forth herein when it is accepted by seller either by acknowledgment or the commencement of performance hereof. These terms and conditions constitute an offer by buyer and this offer may only be accepted on these exact terms and conditions. No additional or conflicting terms or modifications stated by seller in accepted or acknowledging this order shall be accepted by or binding upon buyer, and any such additional or conflicting terms or modifications set forth in seller's acknowledgment are hereby objected to.
2. **INVOICE - PAYMENT - TRANSPORTATION COSTS** - Invoice must not be mailed prior to shipping date and must be received according to the instructions of this purchase order. If seller's invoice as rendered does not comply with buyer's order, seller agrees that buyer may change invoice to conform to buyer's order and make payment accordingly. All fees and charges must be invoiced to buyer by the end of the month following the month the relevant service charge was incurred or product was shipped. If an invoice is not timely received by buyer according to the preceding sentence, seller will be deemed to have waived its right to receive payment for such service and/or product. Unless otherwise stipulated in writing by buyer, seller is required to ship ordered merchandise F.O.B. buyer's place of business; seller shall bear the risk of loss, deterioration, or damage until the time of receipt of goods by buyer at the place of delivery, and then such risk shall pass to buyer only after proper inspection has been completed without rejection of the goods. Seller agrees that no charge will be levied for any packing or drayage unless agreed to in writing by buyer.
3. **PAYMENT TERMS** - 60 DAYS after product acceptance and or service is completed, and receipt of invoice that matches purchase order.
4. **QUANTITY - PRICE - VERBAL UNDERSTANDINGS** - This order must not be filled in greater or lesser quantities or at prices higher than shown without prior written approval of an authorized representative of buyer. If price is not shown on order, it is agreed that seller will furnish at no higher price than last purchased unless expressly authorized in writing by buyer. It is understood and agreed that there is no verbal understanding or agreement between buyer and seller altering the conditions stated in this order. This order may not be modified or rescinded in any manner except by written agreement of both buyer and seller.
5. **DELIVERY - INSPECTION** - Time of delivery or performance is the essence of this order and if any shipment or service rendered is not made when promised, unless brought about by one of the unforeseeable causes as listed hereunder in paragraph 7 of this order, buyer reserves the right to refuse any goods and to cancel without any liability all or any future shipments or performance by seller without prejudice to any right to damages that buyer may have for such breach of contract or to any other right arising from such breach. Delivery of goods shall not be deemed complete until goods or services have been actually received, inspected, tested and accepted by buyer.

In the event such goods are non-conforming, buyer may either return rejected goods or hold at seller's entire risk and expense and may in any event charge seller with the cost of handling and transportation (inbound and outbound) or excess transportation charges paid. Buyer reserves the right to refuse goods whenever seller fails to (A) ship goods according to the buyer's purchase order (B) deliver on actual delivery date as per this order or subsequent agreement signed by buyer (C) comply with classification packing requirements, or (D) furnish goods that conform to buyer's specifications furnished to seller.
6. **COMPLIANCE WITH APPLICABLE LAWS** - Seller guarantees that the goods herein described do not infringe any patent and agrees to defend any suit that may arise in respect thereto and to indemnify and save buyer and/or its nominee harmless from any loss and expense which may be incurred by the assertion of any patent rights therein. Seller guarantees that its performance of this order shall be done in accordance with all applicable federal, state and local laws, as currently amended.
7. **WARRANTIES** - Seller agrees and represents to buyer that the title to the goods delivered hereunder is good and marketable and free and clear of all liens, security interests, taxes, charges, or other encumbrances; that such goods are merchantable and free from all defects in design, workmanship and materials; that such goods are fit for the purpose intended and strictly conform to buyer's specifications, drawings, plans or other documents furnished to seller. Such warranties, together with all service warranties and guarantees, shall run to buyer, its successors, assigns and/or to persons to whom the materials or articles may be resold. All warranties given herein shall survive inspection, delivery, acceptance or payment by buyer of the materials or services.
8. **CANCELLATION** - No failure or omission of the seller in the performance of any obligation of this order shall be deemed a breach nor create any liability for damages or other relief if the same shall arise from any unforeseeable cause or causes beyond the reasonable control of such party, including, without limitation to the causes specified herein, acts of God, floods, fires and explosions (caused other than by Seller's negligence or strict liability), storms, earthquakes, acts of public enemy, war, rebellion, insurrection, riot, sabotage, invasion, epidemic, quarantine, nuclear accident, strikes, lockouts, labor disputes or other industrial disturbance, or any order, rule, act, action or the withholding of necessary action by any governmental agency, or transportation embargoes or delays, but not delays caused by subcontractors or suppliers; provided, however, if there results a failure or delay in performance of any obligation in this order by seller, then seller shall, within ten (10) days from beginning of such failure or delay, notify buyer in writing of the causes of delay. In the event such failure or omission cannot be remedied within a reasonable period of time, buyer shall have the right to terminate or modify the order. Buyer shall have the unrestricted right to cancel and terminate this order without any liability whatsoever in the event of: (A) seller's insolvency; (B) filing of bankruptcy petition by or against seller; (C) appointment of a receiver or trustee of an assignee for the benefit of creditors for seller. Such termination shall not affect any claim for damages available to buyer or to any other right to which buyer may be entitled.
9. **INDEMNITY** - SELLER WILL INDEMNIFY, SAVE HARMLESS AND DEFEND BUYER FROM ALL LIABILITY FOR LOSS, DAMAGE OR INJURY TO PERSON (INCLUDING EMPLOYEES AND AGENTS TO SELLER) OR PROPERTY IN ANY MANNER ARISING OUT OF THE MANUFACTURING OR DESIGN OF THE EQUIPMENT IN THE PERFORMANCE OF THIS CONTRACT, EVEN IF SUCH LIABILITY IS CAUSED IN PART BY THE NEGLIGENCE OF BUYER. HOWEVER, SELLER SHALL HAVE NO LIABILITY FOR ANY LOSSES ARISING FROM THE SOLE NEGLIGENCE OF BUYER.
10. **CONFIDENTIALITY** - Seller shall not disclose any details connected with this order to any third party except as herein specified without first obtaining the written consent of buyer.
11. **ASSIGNMENT** - Seller may not assign the contract or any of seller's obligations hereunder without first obtaining buyer's written consent.
12. **INTERPRETATION** - This purchase order is to be governed by the laws of Texas and is performable at the place the merchandise is delivered to buyer. All warranties herein shall be construed as conditions as well as warranties.
13. **LEGAL CONSTRUCTION** - In case any one or more of the provisions contained in this order shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this order shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.