

TERMS AND CONDITIONS

1. This purchase order constitutes Buyer's offer to Seller, and becomes a binding contract on the terms and conditions set forth herein when accepted by seller either by acknowledgment or the commencement of performance hereof. No revision of this order shall be valid unless in writing and signed by an authorized representative of Buyer. And no condition stated by Seller in accepting or acknowledgment of order shall be binding upon Buyer if inconsistent with, or in addition to the terms and conditions unless expressly accepted in writing by the Buyer.
2. If this purchase order is issued in connection with a separate written contract between Buyer and Seller, then this purchase order shall be for purposes of authorization only and the provisions of said contract shall govern.
3. This order shall be deemed accepted by Seller's commencement of work on the goods or services order, shipment of such goods or by acknowledgment, whichever first occurs.
4. (a) The buyer may terminate work under this order in whole or in part at any time by written notice, whenever without the fault of the Buyer, a contract between Buyer and any third person requiring for its performance articles or services of the kind or type covered by this order is terminated, in whole or in part or amended to eliminate or reduce such requirements. Such notice shall state the extent and effective date of such termination, and upon the receipt thereof, the Seller will as directed by the Buyer, stop work under this order and the placement of further orders or subcontracts hereunder terminate work under order and take any necessary action to protect the property in the Seller's possession in which the Buyer has or may acquire an interest.

(b) If work is terminated under Paragraph (a) above, the Buyer in addition to making prompt payment of amounts due for articles delivered or services rendered prior to the effective date of termination will pay to the Seller, the contract price for all articles or services which have been completed in accordance with this order and not previously paid for. Payments made under the Paragraph (b) shall not exceed the aggregate price specified in this order, less payments otherwise made or to be made.
5. Seller will not be liable for damages for delays in delivery due in causes beyond its reasonable control. However, if for any reason Seller does not substantially comply with Buyer's delivery schedule, Buyer, as its option may either approve or revise delivery schedule or may terminate the order either in whole or in part without liability to Seller on account thereof. Additionally, Buyer may cancel or modify this order in the event of fire, accidents, strikes, government acts or other conditions beyond its control, which interfere with, its use of the goods or services ordered.
6. The Seller expressly warrants that all articles ordered to specifications will conform thereto and to the drawings, samples or other descriptions furnished or adopted by Buyer and that all articles will be merchantable, of good material and workmanship and free from defect. The Seller expressly warrants that all the material covered by this order, which is the product of Seller or is in accordance with Seller's specifications, will be fit and sufficient for the purpose intended. All articles proving defective will be replaced or repaired promptly free of charge by Seller. Except as otherwise provided. Seller shall pay all applicable sales tax.
7. Payment for the goods delivered hereunder shall not constitute acceptance thereof. Buyers 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 its finished product Buyer reserves the right to acquire the replacement as well as payments of damages.
8. All articles are to be suitably packed or otherwise prepared for shipment so as to secure the lowest transportation and insurance rates. Each package must contain a packing slip showing the contents thereof and Buyer's purchase order number.
9. The Seller shall indemnify the Buyer against liability on any claim of infringement of any patents, copyrights, or trademark, which might in any manner arise in connection with the work done, or material furnished by Seller.
10. The Buyer may cancel this order if the quality or quantity or articles delivered hereunder is not as specified as represented or warranted.
11. Tooling, equipment or materials furnished by Buyer to Seller for use in filling this order shall remain Buyer's property while in Seller's possession and shall be returned promptly to Buyer on demand. Seller shall maintain such property in good and serviceable condition and use it only to fill Buyer's order(s). Seller shall hold property at its own risk and insure at Seller's expense against loss or damage from fire, casualty or theft while in Seller's possession. Tools must be identified as Buyer's property.
12. No assignment or subletting of this order or in part may be made without the Buyer's written consent.
13. Seller agrees and warrants that goods shipped to Buyer under this contract will be produced in compliance with all applicable requirements of the Fair Labor Standards Act, as amended and of regulations and orders issued there under.
14. The Seller agrees to comply with the applicable provisions of any federal or state law and all executive orders, rules and regulations issued there under, whether now or hereafter in force; and any provisions, representations, or agreements required thereby to be included in the contract resulting from acceptance of this order are hereby incorporated by reference, including without limitation to provisions of Section 202 of Executive Order 11246.
15. All terms and conditions of buyer's supplier information manual must be met. It is available on line at <http://supplier.powersandsonslc.com>. Seller must be ISO9000 or TS16949 compliant as verified by Buyer. Buyer prefers seller to be TS16949 compliant.
16. Seller shall issue monthly invoices on or about the first of the month for all material shipped the prior month.
17. Buyer reserves the right to visit supplier, with his customer if deemed necessary, for purposes of auditing all charges against this order. Seller agrees to share any records for the audit.