

Purchase Order General Provisions

1. GENERAL:

- a) The acceptance of this purchase order is expressly limited to the terms hereof, including those appearing on the face of and those set forth in the body of the order, the printed General Provisions, and the attachments and specifications incorporated herein by reference, or otherwise. Said terms, which Seller agrees to by acknowledgement, commencement of performance, or delivery constitute the entire contract; and Seller's acknowledgement, commencement of performance or delivery in response to this Order shall be deemed acceptance of these terms. Any other terms proposed by Seller shall not be binding upon Buyer unless expressly accepted by Buyer in writing.
- b) Time shall be of the essence in the delivery of all items hereunder.
- c) The invalidity in whole or in part of any provision of this Order shall not affect the validity of any other provision.
- d) No waiver of a breach of any provision of this Order shall constitute a waiver of any other breach, or of such provision.
- e) This Order shall be construed and all disputes hereunder shall be settled in accordance with the laws of the State of California.

2. **PRECEDENCE:** Conflicting provisions hereof, if any, shall prevail in the following descending order of precedence: 1) written provisions on the face of this Order; 2) purchase order attachments; 3) Specifications attached or incorporated by reference; 4) the printed portion of this order including the Purchase Order General Provisions.

3. INVOICES; DISCOUNT DATE; TAXES:

- a) Invoices, in duplicate shall be mailed to the address shown on the face of the Order.
- b) The date for cash discount calculation is the date Buyer has received all material, services and documentation called for by the Order or the date an acceptable invoice is received, whichever is later.
- c) Seller's invoice will be returned for correction or offset by Buyer's debit memorandum for any adjustments due to shortages, early delivery, rejection or other failure to comply with the requirements of this Order, before payment is made by buyer.
- d) Federal, State or local taxes which are billed to Buyer, shall be stated separately in Seller's invoices. Any and all tax exemption certificates stated by Buyer on the face of the Order will be accepted by Seller.

4. **COMPLIANCE WITH STATUTES & REGULATIONS:** Seller warrants and certifies that in the performance of this Order it will comply with all applicable statutes, rules, regulations and orders of the United States and of any State or political subdivision thereof, including laws and regulations pertaining to labor, wages, hours, and other conditions of employment, and applicable price ceilings, if any, and that the articles delivered hereunder shall be produced in compliance with the Fair Labor Standards Act.

Buyer may be placing orders that are a result of a federal contract and as such buyer fully complies with Executive Order 11246, as amended in 41 C.F.R. Parts 60-1 through 60-60; 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in C.F.R. Part 60-250.

5. **PRICES:** Seller warrants that the prices of the items set forth in the Order do not exceed those charges by the Seller to any other customer in substantially similar transactions.

6. **SHIPMENTS AND ADVANCE COMMITMENTS:** Each container and accompanying packing list must show this Order number. No charge shall be made for packaging, delivery or similar costs unless expressly authorized by this order. Buyer may, at its option, either retain items received in advance of the delivery schedule set forth in this Order or return them to Seller at Seller's risk and expense; if retained, time for payment and discount shall be based upon scheduled delivery dates.

7. **TERMINATION OR CHANGES:** In the event termination or changes in this Order Buyer shall not be liable for any charges or costs arising out of commitments by Seller for the acquisition of materials and parts, or out of work performed hereunder, in advance of the time necessary to meet the delivery schedules hereunder, unless Buyer has given its prior written consent to such advance commitments of work.

8. **DEFAULT:** Seller's acceptance of this Order, evidenced by written or verbal acknowledgment, constitutes an agreement to comply with all terms conditions herein set forth. Delivery schedules are of the essence and failure of Seller to meet schedules without securing written consent of Buyer constitutes default on the part of Seller; and Buyer may terminate this Order in whole or in part for Seller's default without liability or obligation to Seller unless explicitly stated on the front of this Purchase Order.

9. **CHANGES:** By written order, Buyer may, from time to time, order work suspensions or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging. If any change causes an increase or decrease to the price of this Purchase Order in the time required for performance, Seller shall promptly notify Buyer and assert a claim for adjustment; such claim to be submitted within a reasonable time period following notification by Buyer of change and in no circumstance exceeding thirty (30) days. Changes shall not be binding upon Buyer unless evidenced in writing and duly signed by the authorized Buyer.

10. **WARRANTIES:** Seller warrants that all items delivered hereunder will conform with the requirements of the Order and will be free from defects in material, workmanship and design, except that no warranty is made with respect to designs supplied by Buyer. Buyer may return any non-conforming or defective items to Seller or require correction or replacement of the item at the time the defect is discovered either before or

after acceptance, all at Seller's risk and expense. Buyer shall have all other rights and remedies provided by law. Acceptance of items by Buyer shall not relieve Seller of its warranty responsibilities. The warranties of Seller, together with its service warranties and guarantees, if any, shall run to Buyer and its customers.

- 11. PROPERTY FURNISHED TO SELLER BY THE BUYER:** All designs, tools, patterns, drawings, specifications, and any other information materials or equipment, furnished by Buyer to Seller for use in the manufacture of the items in this Order shall remain Buyer's property. Seller shall not use any such property or information in the production, manufacture or design of any other articles or materials without first obtaining Buyer's written consent. Seller shall be fully responsible for all property upon delivery to Seller until re-delivery thereof to Buyer; or, if Buyer demands the return of its property prior to completion of the work, Seller shall deliver such property to Buyer in accordance with the terms of such demand.
- 12. BUYERS USE OF DOCUMENTS AND INFORMATION:** Seller agrees that any documents, such as prints, instructions, data, or information, furnished to Buyer in connection with this order shall be free from confidential proprietary or restrictive use marking, other than statutory patent, copyright or U.S. Government security notices. Buyer, its agents or assigns, may duplicate or use such documents in connection with further manufacture, use or disposition of the material furnished under this Order, and may remove, obliterate, or ignore any such marking as may be on such documents. All information disclosed or furnished to Buyer in connection with this Order shall be deemed to be disclosed or furnished as part of the consideration for this Order, and Seller agrees not to assert any claim (except claims for patent infringement) by reason of Buyer's use, duplication or disclosure thereof.
- 13. CONFIDENTIALITY:** Seller shall not without first obtaining Buyer's consent, disseminate the fact that Seller has furnished or has contracted to furnish Buyer the items covered hereby, nor, except as is necessary for performance of this Order, shall Seller disclose any of the drawings, specifications and other details connected with this Order to third parties.
- 14. DISPUTES AND JURISDICTION:** This Agreement shall be deemed to have been made in Los Angeles County, California. All disputes not otherwise resolved between Seller and Buyer shall be resolved in a court of competent jurisdiction for the location of Buyer's home office in Arcadia, Los Angeles County, California and in no other place; provided that, in Buyer's sole discretion such disputes may be heard in some other place designated by Buyer (if necessary to acquire jurisdiction over third persons), so that the dispute can be resolved in one action. Seller hereby consents to the jurisdiction of such courts and agrees to appear in any such action upon written notice thereof. If suit or action is instituted by Buyer to enforce the terms of this agreement, Buyer shall be entitled to recover its actual costs incurred, including attorney fees.