



Terms and Conditions of Purchase

1. ACCEPTANCE. (a) THIS ORDER IS BUYER'S OFFER TO SELLER AND DOES NOT CONSTITUTE AN ACCEPTANCE BY BUYER OF ANY OFFER TO SELL, QUOTATION OR PROPOSAL. ANY REFERENCE TO SUCH OFFER TO SELL, QUOTATION OR PROPOSAL IS SOLELY FOR THE PURPOSE OF INCORPORATING THE DESCRIPTION AND SPECIFICATIONS OF THE GOODS AND SERVICES CONTAINED THEREIN TO THE EXTENT THAT SUCH DESCRIPTION AND SPECIFICATIONS DO NOT CONFLICT WITH THE DESCRIPTION AND SPECIFICATIONS ON THE FACE OF THIS ORDER. THIS ORDER CONSISTS ONLY OF THE TERMS CONTAINED HEREIN AND ON THE FACE OF THIS ORDER AND ANY SUPPLEMENTS, SPECIFICATIONS OR OTHER DOCUMENTS EXPRESSLY INCORPORATED HEREIN BY REFERENCE. THIS ORDER MAY ONLY BE ACCEPTED BY EXECUTING AND RETURNING THE ACKNOWLEDGEMENT COPY HEREOF.

(b) BUYER WILL NOT ACCEPT ANY TERMS NOT SET FORTH IN THIS ORDER AND BY ACKNOWLEDGING RECEIPT OF THIS ORDER (OR BY SHIPPING THE GOODS OR PERFORMING THE SERVICES CALLED FOR BY THIS ORDER) SELLER AGREES TO THE TERMS AND CONDITIONS OF SALE CONTAINED IN THIS ORDER, ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS CONTAINED IN ANY ACKNOWLEDGEMENT OF THIS ORDER BY SELLER SHALL BE DEEMED OBJECTED TO BY BUYER WITHOUT NEED OF FURTHER NOTICE OF OBJECTION AND SHALL BE OF NO EFFECT NOR IN ANY CIRCUMSTANCE BINDING UPON BUYER UNLESS ACCEPTED BY BUYER IN WRITING. ACCEPTANCE OR REJECTION BY BUYER OF ANY SUCH ADDITIONAL TERMS OR CONDITIONS SHALL NOT CONSTITUTE AN ACCEPTANCE OF ANY OTHER ADDITIONAL TERM OR CONDITION.

2. CHANGES. Buyer may at any time by written order, without notice to any surety, make changes or additions within the general scope of this purchase order in or to drawings, designs, specifications, instructions to work, method of shipment or packing, or place of delivery. If any such change causes an increase or decrease in the cost of or the time required for performance of this purchase order, Seller shall notify Buyer in writing within five (5) business days and an appropriate mutually agreed equitable adjustment will be made in the price or time of performance or both, by written modification.

3. QUANTITY. Buyer need not accept any variation in quantity except as specified herein.

4. NON-ASSIGNMENT. Assignment by Seller of this Order or any part thereof without the written consent of Buyer shall be void.

5. GOVERNMENT REGULATIONS. In performing its obligations hereunder, Seller shall fully comply with all applicable laws, ordinances, rules and regulations. Without limiting the foregoing, the Seller shall comply with the following:

(a) **FAIR LABOR STANDARDS ACT.** Each of Seller's invoices covering materials covered by this Order must carry the following certificate or its equivalent in order to be passed for payment. "Seller hereby certifies that any materials covered by this invoice were produced in compliance with all applicable requirements of the Fair Labor Standards Act, as amended, and of regulations and orders issued thereunder."

(b) **OCCUPATIONAL SAFETY AND HEALTH ACT.** Seller warrants that the goods to be furnished hereunder comply with the requirements of the Occupational Safety and Health Act of 1970, as amended.

(c) **EQUAL EMPLOYMENT OPPORTUNITY.** This Order will be subject to non-discrimination provisions 1 through 7 of Section 202 of Executive Order 12466 as amended by Executive Order No. 11375 and amendments thereto and rules and regulations thereunder, except as exempted by the provisions of Section 204 of Executive Order No. 11246 or amendments thereto.

6. INDEMNITY AND INSURANCE. Seller shall defend and indemnify Buyer against all damages, liabilities, claims losses and expenses (including attorneys) 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, contractors' liability and 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 attorney's fees). Seller agrees to submit certificates of insurance evidencing its insurance coverage when requested by Buyer.

7. TIME OF PERFORMANCE. Time of performance is of the essence. No partial delivery or delivery of additional quantities shall be made unless Buyer has given prior written consent.

8. TERMINATION. Buyer may at any time terminate this Order in whole or in part for its convenience upon written notice to seller in which event Seller shall be entitled to reasonable termination charges consisting of the actual costs incurred by Seller with respect to the percentage of the work performed prior to termination plus actual direct costs resulting from termination, but in no event shall the termination charge exceed the Order price hereunder. Notwithstanding the foregoing, no amount shall be payable by Buyer for any costs incurred with respect to goods or services scheduled for delivery more than sixty days subsequent to the date of cancellation, nor shall any amount be payable with respect to the anticipated profit of Seller. In addition to the other remedies available to the Buyer at law or in equity, Buyer shall have the right to terminate this Order without cost to Buyer in the event of any breach of the terms hereof by

Seller, including without limitation, if Seller fails to make deliveries or perform the services within the time specified or extension thereof.

9. PROPRIETARY INFORMATION. The specifications, drawings, designs, manufacturing data and other information transmitted to Seller by Buyer in connection with the performance of this 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 interest of Buyer.

10. MODIFICATION OF AGREEMENT. This Order may not be modified except by writing signed by both Buyer and Seller, provided, however, the Buyer shall have the right, prior to completion of the Order, to make changes to the quantity, specifications, method of shipment or packaging of any goods sold hereunder. If such modification increase or decrease the Seller's costs, Seller shall promptly notify Buyer thereof, and an equitable adjustment shall be made.

11. PATENTS. Seller agrees, as 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 or invention 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.

12. WARRANTY. Seller expressly warrants that all goods and services covered by this Order shall conform to the specifications, drawings, samples or other description provided to the Buyer (which items are expressly incorporated herein by this reference), shall be merchantable, of good material and workmanship, and free from defect and that goods and services of Seller's design will be free from defect in design. Seller hereby warrants that it has good and merchantable title to all goods sold hereunder, free and clear of all liens and encumbrances. No goods shall be deemed accepted until inspected and tested, but such inspection test acceptance for use of the goods furnished hereunder shall not affect Seller's obligation under this warranty, and such warranty shall survive inspection, test acceptance and use. This warranty shall run to Buyer, his successors, assigns and customers and the users of its products Seller agrees to replace or correct defects in any goods or services not conforming to the foregoing warranty promptly, without expense to Buyer, when notified of such nonconformity by Buyer. In the event of failure by Seller to correct defects in or replace nonconforming goods or services promptly, Buyer, after reasonable notice to Seller, may make such corrections or replace such goods and services and charge Seller for the costs incurred by Buyer thereby.

13. DEFAULT BY SELLER. In the event of a default in any of the terms hereof by the Seller, Buyer shall have all rights and remedies available to it at law or in equity and without limiting the foregoing, Seller shall be liable to Buyer for any incidental or consequential damages which arise out of such default. No act or omission by Buyer, other than execution of a written waiver, shall constitute a waiver of any right or remedy available to Buyer.

14. APPLICABLE LAW. The terms and provisions hereof shall be governed by and interpreted in accordance with the laws of the State of Florida.

15. TITLE AND RISK OF LOSS. Title to and all risk of or damage to goods to be delivered under this Order shall remain on Seller until such goods are delivered to Buyer at the destination specified on the face of the Order. Seller shall bear all risk of loss or damage to supplies rejected by Buyer, after notice of rejection until such supplies are re-delivered to Buyer, except for loss, destruction or other damage to such rejected supplies resulting from the gross negligence of agents or employees of Buyer acting within the scope of their employment. Passing of title upon delivery shall not constitute acceptance of the items by Buyer. All items to be delivered hereunder all property to be returned to Buyer shall be free and clear of any and all liens and encumbrances.

16. BUYER FURNISHED PROPERTY. Seller assumes complete liability for any tooling, articles or material furnished by Buyer to Seller in connection with this purchase order and Seller agrees to pay Buyer for all such tooling, articles or material spoiled by it or not otherwise accounted for to Buyer's satisfaction. The furnishing to seller of any tooling articles or material in connection with this purchase order shall not, unless otherwise expressly provided, be construed to vest title thereto in Seller.

All drawings, designs, tools, patterns, equipment and information supplied by Buyer hereunder and proprietary rights embodied therein are reserved and their uses restricted to work to be performed for Buyer.

17. PACKING, MARKING AND SHIPPING. Seller shall pack, mark and ship all goods in accordance with the requirements of the country of origin marking instructions and all instructions for exports to the Buyer and the Order so as to be in compliance with transportation regulations and good commercial practice for the protection and shipment and shall secure the most advantageous shipment service and rates. No separate or additional charges are payable to Buyer for containers, crating, boxing or storage unless specifically stated in the Order. A packing list showing the Order number shall be included with each shipment. Any transportation charges paid by Seller for which Seller is entitled to reimbursement shall be shown on Seller's invoices as a separate line item. Items will be packaged to a standard that provides protection against damage, deterioration, corrosion and other risks during handling and transportation. Seller



Terms and Conditions of Purchase

shall be responsible for all legal, regulatory and administrative requirements associated with any importation and the payments of all associated duties, taxes and fees.

18. EXPORT CONTROL. Any technical data related to a defense article covered by the U.S. Munitions List, is subject to export control under the International Traffic In Arms Regulations (ITAR) (Title 22, Code of Federal Regulation, Parts 120-130); and any technical data related to dual-use commercial articles, articles governed by the Export Administration Regulations (EAR) (Title 15, Code of Federal Regulations, Parts 730-774) requires a non-disclosure statement prior to export. Seller will not disclose, export or transfer such data in any manner to any foreign person or any foreign country without the prior written approval of the U.S. Department of State, Directorate of Defense Trade Controls, and/or U.S. Department of Commerce, Bureau of Industry and Security, as required by the U.S. Government regulations. Seller is advised that failure to adhere to U.S. export control regulations and/or the Buyer's Technology Control Plan procedures may be subject to disciplinary action available by law.

19. INSURANCE. Seller agrees, if and when requested by Buyer to procure a policy or policies of insurance in form satisfactory to Buyer insuring all property on Seller's premises owned by Buyer against loss or damage resulting from fire (including extended coverage), malicious mischief and vandalism. Satisfactory evidence of such insurance shall be submitted to Buyer within a reasonable period of time after requested by Buyer.

20. PAYMENT TERMS. Unless otherwise agreed in writing, payment terms are 45 days. Payment date will be calculated from the later of actual delivery date or the date an acceptable invoice is received. Payment of an invoice shall not constitute acceptance of terms and shall be subject to adjustment for errors, shortages, defects or other causes.

21. WAIVER. If Buyer elects not to insist on strict performance of any term or condition, or to exercise any right or privilege under these Terms and Conditions such election will not constitute a waiver of such term, condition, right or privilege