

**1. Goods.**

As used herein, the term goods means all articles, materials, parts, items, accessories etc. specified in this purchase order and where relevant, services.

**2. Acknowledgement and Acceptance.**

Buyer's order is made on the express understanding and condition that insofar as the terms and conditions of this purchase order conflict with any terms of seller's quotation or acknowledgement, the terms and conditions of this document shall govern, irrespective of whether seller accepts these conditions by written acknowledgment. Buyer's failure to object to provisions contained in any communications from seller shall not be deemed a waiver of the provisions of this document and any such provisions are expressly excluded. Seller's action in (a) acknowledging this order or (b) making shipments of goods or otherwise commencing performance under this purchase order shall constitute an unqualified acceptance of the terms and conditions set forth in this purchase order, including any attachments hereto. Buyer hereby objects to any different or additional terms that may be set forth in seller's acceptance of this offer.

**3. Quantities and Prices.**

Buyer's count shall be accepted as conclusive on all shipments not accompanied by a packing slip. Buyer reserves the right to reject and return, at seller's expense, early deliveries or excess or short shipments, or to defer payment for early deliveries until the specified delivery date. To the extent that the prices for goods ordered hereunder are not specified herein, the prices for the same, unless otherwise agreed by buyer, shall be those applicable to buyer's last preceding order for a comparable quantity, or if there is no such order, seller's last preceding quotation for the same. Unless otherwise specified, prices are F.O.B. buyer's plant at the location indicated on the face hereof and include all customs duties and sales, use, excise, retailer's occupation, value added taxes or any other impositions payable due to this transaction. Seller warrants that all prices comply with all laws and regulations.

**4. Payment Terms, Invoices.**

Unless otherwise specifically agreed to, payment shall be due no earlier than forty-five (45) days after buyer's acceptance of the goods or services, which are the subject of this order. Any discount or payment period shall be calculated from the date each correct invoice is received by buyer. Invoice must be transmitted or sent immediately upon shipment, together with the original bill of lading or other valid documents attached thereto to the F.O.B. point indicated on the face hereof. Cash discounts and terms must be shown on all invoices. All applicable state and federal taxes must be separately itemized on invoices. Any goods covered by this purchase order that become a component of the products manufactured by the buyer is bought for resale, and no retail sales tax is applicable thereto.

**5. Inspection, Rejection of Goods.**

All goods furnished hereunder shall be subject to inspection at destination, notwithstanding any previous inspection, and seller will be notified of any defects, other than latent defects, within a reasonable time after receipt of the goods and all records required to be furnished therewith. Buyer may reject or require the prompt correction, in place or otherwise, of any goods which are defective in material, workmanship, design or which otherwise fail to meet the requirements of this order. Buyer may, in addition to any rights it may have by law, prepare for shipment and ship the goods to seller, require seller to remove them, or direct their correction in place, and the expense of any such action, including transportation both ways, if any, shall be borne by seller. Seller shall pay all of buyer's costs of inspection, repair, testing, or correction of any defective goods. If seller fails promptly to remove such goods or to proceed promptly to replace or correct them, buyer may replace or correct such goods at the expense of seller, including any excess cost. Additionally, Seller shall not make any changes in the specifications, marking, packaging, manufacturing location, subcontractors, suppliers, physical composition of or processes used to manufacture Buyer's purchased Goods or Services without prior written approval from Buyer. Payment for any or all the goods or services supplied hereunder shall not constitute acceptance by buyer. Nothing in this paragraph shall in any way limit buyer's rights under the paragraph hereof entitled "Warranties".

**6. Counterfeit Parts.**

If Buyer determines in its sole discretion that actual or suspected counterfeit parts are furnished under this purchase order or are discovered in any of the goods delivered hereunder, such items will be impounded by Buyer and disposed of in Buyer's sole discretion. The Seller shall promptly replace the actual or suspected

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Proc. AH100004		Saved: Mary Lee Moore

counterfeit parts with non-counterfeit parts acceptable to the Buyer. The Seller shall be liable for all costs related directly or indirectly to the actual or suspected counterfeit parts, including but not limited to, any removal, testing and reinstallation charges, and any and all damages suffered by Buyer or Buyer's customer related to the actual or suspected counterfeit parts. Seller shall defend and indemnify Buyer against any claims related, directly or indirectly, to their supply of the actual or suspected counterfeit parts. For purposes of this purchase order, a counterfeit part shall be an unlawful or unauthorized reproduction, substitution, or alteration that has been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used parts represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.

**7. Delivery: Time is of the Essence of this Contract.**

If delivery of goods or rendering of services is not completed by the time provided for herein, buyer reserves the right, without liability, in addition to and without waiving any of its other rights and remedies under this purchase order or otherwise, to cancel this order by notice effective when received by seller, as to any or all stated goods not yet shipped or services not yet rendered and to purchase substitute goods or services elsewhere and charge seller with any loss or damage incurred by buyer; and seller agrees promptly to reimburse buyer for any such losses or damages. Seller shall not, however, be liable to buyer for damages resulting from delays in delivery or failure to manufacture due to causes which are not reasonably foreseeable and which are beyond its reasonable control, such as, acts of God, fires, strikes and acts of the Government, provided that such delay is not due to the fault or negligence, in whole or in part, of seller or its vendors, contractors, suppliers or agents. If a delivery date has not been specified by buyer, seller must specify a definite date for delivery. If a delivery date specified by seller is not satisfactory to buyer, buyer reserves the right to cancel this order at no cost to buyer. Any provision in this purchase order for delivery of goods or the rendering of services by installments shall not be construed as making the obligations of seller severable.

**8. Warranties.**

Seller expressly warrants that all goods and services covered by this purchase order (i) shall conform to the specifications, drawings, samples or other descriptions referred to in this purchase order, (ii) shall be merchantable and free of defects in workmanship, material and design, (iii) shall perform as specified herein, and (iv) to the extent that seller knows or has reason to know of the purpose for which the goods are intended, shall be fit and sufficient for such purpose. These warranties are in addition to all other warranties specified herein or implied by law, and shall survive acceptance and payment. The warranties contained herein shall apply to buyer, to buyer's customers and to the users of buyer's products and services.

**9. Cancellation.**

The seller's failure to comply with the specifications, terms and conditions of this purchase order or any part thereof, or seller's failure to deliver goods ordered herein in accordance with specifications, shall be grounds for cancellation by buyer at no cost to buyer. In case of ambiguity in the specifications, drawings or other requirements of this purchase order, seller, before proceeding, must consult buyer, whose written interpretation shall be final. Buyer's right to cancel hereunder shall be in addition to all other rights and remedies available to buyer under this order or otherwise.

**10. Termination for Convenience.**

Buyer, in addition to all other rights and remedies it may have under this purchase order or otherwise, shall have the right to terminate this order in whole or in part, without cause, upon notice in writing to seller. Seller shall, as directed by buyer, cease work and deliver to buyer all completed and partially completed goods and work in process, and buyer shall pay seller the following, which in no event shall exceed the total price provided for herein:

1. The price provided in the order for all goods which have been completed prior to termination and which are accepted by buyer.
2. To the extent commercially reasonable, the actual expenditures on the uncompleted portion of the order, including cancellation charges paid by the seller on account of commitments made under this order.

**11. Insolvency.**

If seller ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against

seller, or a receiver for seller is appointed or applied for, or an assignment for the benefit of creditors is made by seller, buyer may terminate this order without liability, except for deliveries previously made or for goods covered by this order then completed and subsequently delivered in accordance with the terms of this purchase order.

### 12. Patents, Trademarks and Copyrights.

Seller warrants and agrees that all goods furnished hereunder and the use thereof do not infringe on any patent, copyright or trademark right. Seller shall forever defend, indemnify and hold harmless buyer, its successors and any assigns and any of its customers and all persons claiming under buyer from and against any and all liability, claims, actions, losses, damages and expenses of any kind, including without limitation attorneys' fees, by reason of actual or alleged infringement or contributory infringement of any United States or foreign Letters Patent, any copyright, trademark or trade name rights arising in any way out of or connected with this purchase order, including without limitation by reason of the manufacture, delivery, use or sale of goods supplied under this purchase order. In case the goods, or any part thereof, are in any suit held to constitute infringement and the use of the goods or part is enjoined, seller shall, at its own expense, and with buyer's approval, either procure for buyer the right to continue using such goods or part, or promptly replace the same with substantially equal but non-infringing goods, or modify the goods so they become non-infringing.

### 13. Cartage.

No charge shall be made or allowed for boxing or cartage unless by special agreement of the parties in writing. Charges for prepaid cartage must be substantiated by attaching to the invoice the original transportation bills received by the carrier.

### 14. Advertising.

This order is confidential between buyer and seller and it is agreed that none of the details contained herein will be published to a third party without buyer's written permission. Seller shall not use buyer's name or products in any marketing or advertising without buyer's express written consent.

### 15. Data and Drawings.

All specifications, blueprints, documentary technical know-how, instructions, molds, models, casts, formulas, sketches, drawings, designs, customer lists, promotional copy, mailing labels, manufacturing procedures and processes and employee lists supplied to seller under this purchase order (and all right to reproduce or republish any of the foregoing), hereafter "Property" (i) shall be and remain the sole property of buyer except for exclusive designs developed by seller prior to the placement of this purchase order, (ii) shall be considered confidential and not to be disclosed or made available to any other nor to be copied or reproduced by seller, its agents, representatives or employees, (seller to take all necessary precautions against theft, loss, duplications not authorized by buyer in writing or wrongful distribution), (iii) unless otherwise agreed to by buyer in writing, shall be returned to buyer upon completion of production or processing or earlier upon demand and (iv) shall not be used by seller, its agents, representatives or employees for any purpose except in connection with the work to be done by seller for buyer pursuant thereto. With respect to any inventory or property of buyer, which seller has in its possession for the purpose of production, transportation, processing, distribution or transactions incidental to the foregoing, seller shall take every precaution to prevent loss, damage, destruction, theft, appropriation or wrongful use or taking of such items. Seller shall carry and furnish evidence of adequate insurance against such occurrence in an amount satisfactory to buyer, and whenever inventory or property of value exceeding \$500 is involved, seller shall furnish a loss payee endorsement naming buyer as a named insured.

### 16. Tools.

Except as otherwise specified by buyer in writing, all tools, dies, gauges, jigs, fixtures and other items required to execute this purchase order are to be supplied by seller. Any such items to be paid for by buyer shall be solely buyer's property. Such items and materials will be used by seller exclusively for buyer, and shall not be removed or disposed of without buyer's written consent and will be delivered to buyer upon demand.

### 17. Title to Goods, Risk of Loss.

Goods shall be delivered to buyer at its address specified on the face of this purchase order. Unless otherwise explicitly provided for in this purchase order, title and risk of loss to goods shall pass to buyer only at the time and place of delivery at buyer's location indicated on the face hereof.

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Proc. AH100004		Saved: Mary Lee Moore

**18. Drafts.**

Drafts against buyer will not be honored, nor C.O.D. shipments accepted, except by express agreement to that effect.

**19. Compliance with Laws.**

Seller agrees to comply with all applicable Federal and State laws, rules and regulations including, but not limited to, (a) the Fair Labor Standards Act of 1938 (29 USC 201-219) as amended; (b) Executive Orders 11246 and 11375, including all amendments thereof, all rules and regulations thereto and all orders of the U.S. Department of Labor related thereto; (c) Federal Procurement Regulations; (d) all Workers' Compensation and Disability Benefit Insurance laws; (e) Anti-Kickback Act as amended (41 USC 51-54); (f) the Occupational Safety and Health Act and all regulations thereunder; (g) the Clean Air Act; (h) the Federal Water Pollution Control Act, and rules and regulations of the EPA and appropriate state and local agencies; (i) the Walsh-Healey Public Contracts Act (41 USC 35-45) and the Contract Work Hours and Safety Standards Act; (j) P.L. 111-203, section 1502 related to Conflict Minerals (k) the requirements of 41CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by Seller and Seller's suppliers and subcontractors to employ and advance in employment qualified individuals with disabilities; (l) the requirements of 41CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by Seller and Seller's suppliers and subcontractors to employ and advance in employment qualified protected veterans, as well as, the related status reporting; and all rules and regulations thereunder, each as and to the extent applicable to this order or seller's performance hereunder; (m) Immigration Reform and Control Act of 1986 and the Illegal Immigration Reform and Immigration Responsibility Act of 1996; (n) Foreign Corrupt Practices Act and all anti-bribery and anti-corruption laws of the countries in which Seller does business. Nothing in the foregoing shall limit seller's responsibility to comply with any and all Federal, State and local government laws, rules and regulations applicable in any fashion whatsoever to this order or seller's performance hereunder. Seller agrees to provide buyer with any certificate affirming compliance with applicable laws that the buyer shall request, and seller further agrees to indemnify to hold it harmless from any loss or expense arising from seller's noncompliance with any applicable law, rule or regulation.

**20. Assignment.**

Neither this purchase order nor any payments hereunder are assignable or transferable without buyer's written approval, nor shall seller sublet or subcontract any or all of the performance of work called for hereunder without buyer's written approval.

**21. Changes.**

Buyer may at any time, by written order, make changes or additions within the general scope of this purchase order. If any such changes cause any increase or decrease in the cost of or the time required for, performance of this purchase order, seller shall notify buyer in writing and an appropriate equitable adjustment will be made in the price or time of performance, or both, by written modification of this purchase order. Any claims by seller for such adjustment must be asserted within 30 days after seller's receipt of notice of the change. Nothing herein shall excuse seller from proceeding with the order as changed.

**22. Insurance Requirements and Indemnity.**

Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property (including the goods or services provided hereunder) while work is in progress. Seller shall defend, indemnify and save buyer harmless against any and all liability, claims, actions, judgments, losses, damages, or expenses, (including attorney's fees) arising directly or indirectly from (i) Seller's breach of any provision hereof, including, without limitation, the warranties made herein, (ii) any negligent or wrongful act or omission of Seller, its employees, consultants or subcontractors, or (iii) buyer's use, or resale of the goods or services supplied by seller to buyer in accordance with the terms of this purchase order where such claims, losses, litigation, judgments or awards against buyer arise from any deficiency or defect in the good or service supplied by Seller including any alleged breach of contract warranty, negligence or other tortious conduct of seller except any such injuries or damages that are due directly and solely to buyer's negligence. Seller shall maintain and, upon buyer's request, shall furnish certificates evidencing the minimum insurance requirements required by buyer, which adequately cover seller's liability against buyer and third parties.

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**23. Insurance Charges.**

Buyer will not pay for insurance charges and/or valuation charges on the shipment of material covered by this order.

**24. Offsets, Setoffs.**

Buyer shall have the right at any time to set off any amounts now or hereafter owing, whether or not due and payable, to the seller under this purchase order or otherwise, against amounts, which are then or may thereafter become due and payable under this purchase order.

**25. Toxic Substance Control Act.**

Seller warrants that each and every chemical substance delivered under this purchase order shall, at the time of delivery, transfer, or sale, comply with the Hazardous Materials Transportation Act and be on the list of chemical substances compiled and published by the administrator of the Environmental Protection Agency, pursuant to the Toxic Substance Control Act (Public Law 94-469) and regulations issued thereunder.

**26. Government Contract.**

Goods may be used by buyer in fulfilling a U.S. government prime contract or subcontract and may, therefore, be subject to U.S. government procurement regulations in effect at the time of accepting the purchase order, including but not limited to, Federal Acquisition Regulation (FAR) 52.211-15; 29 CFR Part 471, Appendix A to Subpart A; 41 CFR Part 60-1.4(a) and Part 60-300.5(a); and all applicable clauses listed in FAR 52.212-5(e) and DFARS 252.212-7001(c). In these provisions, the term "Contractor" as used therein shall refer to seller, and the terms "Government" and "Contracting Officer" as used therein shall refer to buyer. By submitting a proposal or invoice to buyer, seller is representing to buyer that, at the time of submission: (1) neither seller nor its principals are presently debarred, suspended, or proposed for debarment by the U.S. government (see FAR 52.209-6); (2) seller has filed all compliance reports required by the Equal Opportunity clause (see FAR 52.222- 22); and (3) seller's represents to buyer that they have examined all FAR and DFAR requirements that apply and have determined they are in compliance with such applicable laws, rules and regulations. Seller agrees to defend and indemnify buyer against any claims related directly or indirectly to their compliance of any applicable FAR and DFAR clauses.

**27. Limitations of Liability.**

UNDER NO CIRCUMSTANCES WILL BUYER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, AND WHETHER BASED ON BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHER LEGAL THEORY, ARISING FROM OR IN CONNECTION WITH BUYER'S FAILURE TO PERFORM UNDER A PURCHASE ORDER OR BUYER'S USE OR RESALE OF THE GOODS PURCHASED THEREUNDER. Moreover, in no event shall buyer's liability to seller, if any, whether arising out of contract, tort (including negligence) strict liability or any other cause of or form of action whatsoever, exceed the purchase price of the goods to be purchased under this purchase order.

**28. Complete Agreement.**

The terms and conditions of this purchase order, and any related attachment, are the only terms and conditions governing this order. Reference to seller's bids or proposals, if noted on this purchase order, shall not affect the provisions hereof, unless specifically provided to the contrary herein and no other agreement or quotation or any acknowledgment of seller in any way modifying any of said provisions or adding additional terms or conditions will be binding upon buyer unless made in writing and signed by buyer's authorized representative.

**29. Governing Law.**

This contract is entered into the state of Illinois. The contract resulting from this order is to be construed according to the laws of the state of Illinois without regard to its choice of law provisions. The parties agree that any controversy arising under this purchase order shall, be determined by the courts of the state of Illinois and that the venue for any dispute shall be Madison County, Illinois.

**30. Breach.**

In the event of any breach of this agreement by seller, then buyer shall recover from seller all of its' attorneys fees and other expenses incurred in collection of any amount due under this agreement.

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**31. Restricted Substances and Regulatory Compliance.**

Seller shall ensure that any product procured on behalf of buyer shall meet all required specifications and be purchased in accordance with governmental regulations, including but not limited to, the European Union Reach directive as may be updated and amended, all RoHS directives and any additional related or subsequently issued directives and those related to Conflict Minerals as may be required. Products requiring California Proposition 65 labeling shall be labeled as such.