

**EASTERN SCREW COMPANY
PURCHASE ORDER
TERMS & CONDITIONS**

1. **ACCEPTANCE:** The terms and conditions of this acceptance shall prevail notwithstanding any conflict with the terms and conditions of any order. EASTERN SCREW COMPANY (BUYER), shall purchase the within described material and/or supplies on the exact terms and conditions herein set forth and no terms and conditions which are in any manner whatsoever additional to or different from those herein set forth or set forth in any Purchase Order shall become a part of any contract between BUYER and SELLER. BUYER hereby objects to any additional or different terms and conditions, whether contained in SELLER'S order or otherwise. BUYER WILL NOT BE DEEMED TO HAVE WAIVED THESE TERMS AND CONDITIONS OF SALE IF IT FAILS TO OBJECT TO PROVISIONS CONTAINED IN SELLER'S FORMS OR OTHERWISE. All manufactured orders are subject to +/- 10% quantity which follows industry standard.
2. **WARRANTY:** A. Subject to such exceptions as may be set forth herein, SELLER shall warrant each product manufactured and sold by it or one of its authorized suppliers to BUYER against defects in workmanship and materials and SELLER hereby confirms that any such products shall comply with applicable quoted specifications, drawings or blueprints, (for a period of one year following date of shipment to the customer). Products which are improperly or defectively installed, serviced or which have been used for a purpose for which they are not designed are not covered by this warranty. SELLER WARRANTIES THAT ANY GOODS THAT HAVE BEEN DESIGNED AND SPECIFIED FOR A PARTICULAR PURPOSE WILL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE. SELLER MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, EXCEPT SUCH THAT AS IS EXPRESSLY SET FORTH HEREIN.

B. The provisions of this warranty and limitation of liability shall not be modified in any respect except by written document signed by and authorized officer of BUYER and SELLER. No agent, employee or other party has any authority to obligate BUYER by any terms, stipulations or conditions not herein expressed. All previous representations and agreements, whether verbal or written, referring to the products covered by the within warranty and limitation of liability are hereby superseded and cancelled.
4. **MANUFACTURED ITEMS:** All manufactured orders are subject to +/- 10% quantity variance which follows industry standard.
5. **TERMINATION:** BUYER may terminate this contract with or without cause, in whole or in part, by giving SELLER at least (90) days advanced written notice. BUYER shall bear the actual costs of: 1) ALL material actually procured by SELLER to fill BUYERS' issued purchase orders scheduled for delivery within (30) days from the date of BUYERS' notice of termination, where such material has been fabricated or purchased for BUYER'S (including SELLER'S NON-CANCELABLE PO'S) and is not re-saleable in the course of SELLER'S ordinary business; and 2) the SELLER'S actual on-hand stocked inventory that is not an amount greater than necessary to fulfill the BUYER'S issued purchase orders.
6. **ASSIGNMENT:** The contract resulting from this order is not assignable or transferrable by SELLER, in whole or in part, except with the written consent of BUYER.
7. **DELIVERIES:** All shipping dates for goods and sold hereunder are approximate. SELLER agrees to use its best efforts to ship orders for goods in accordance with the delivery schedules indicated herein.
8. **INSPECTION AND ACCEPTANCE:** BUYER shall, within 15 days of receipt, inspect each of the products delivered or received pursuant to a SELLER'S purchase order. BUYER shall notify SELLER immediately of any non-conforming products and reserves the right to refuse acceptance of goods which are not in accordance with specifications in the purchase order. Goods not accepted will be returned to SELLER for full replacement (at BUYER'S option) and at SELLER'S risk and expense, including transportation charges.
9. **INDEMNIFICATION/INSURANCE:**
 - a. Seller agrees to indemnify and defend Buyer, its affiliates, officer, employees agents, successors and assigns for and against any and all claims, action, obligations, liabilities, fines penalties, damages, losses, costs, expenses and attorney's fees arising from or connected with the goods purchased and services rendered hereunder including without limitation, any of the following: (i) breach of express or implied warranty, strict liability, or other liability arising from any defect in the goods purchased or the methods utilized in performing the order, (ii) the acts of omissions of Seller or any party under Seller's control, (iii) any claim of infringement of patent, trademark trade name, copyright trade secret, or other similar claim of right now or hereafter existing under the laws of any state or county relating to the manufacture, sale or use of the goods (iv) any claim for royalties unfair competition or the like arising from any license or like agreement or arrangement between Seller and third parties regarding such goods or (v) the delivery and/or installation of any goods by Seller or any party under Seller's control on property owned, leased, occupies or controlled by Borrower.
 - b. Seller shall maintain and provide Buyer with proof that it maintains primary and non-contributing liability insurance with minimum limits of \$1,000,000/\$2,000,000 for bodily injury and for property damage and blanket broad form of vendor's coverage 9or such other limits as may be specified by Buyer, designating prior written notice to Buyer in the event of cancellation or material reduction of coverage. Seller shall also maintain worker's compensation insurance in the form and amount by applicable law covering any employee or agents of Seller performing services hereunder or employed by Seller.