

TERMS AND CONDITIONS

ACCEPTANCE - Acceptance must be limited to the terms and conditions hereof, expressed or implied, and any additional or different terms or conditions in

such acceptance are proposals which do not become a part hereof without Buyer's written consent.

Sellers shipment of conforming or non-confirming goods in lieu of acceptance as herein provided may, at the sole election of Buyer, be treated as Seller's acceptance and assent to all terms and conditions hereof.

PRICE - If no price is specified herein the price will be the lowest market price for goods and/or services of like kind and quality charged by Seller from the date hereof until the date of delivery and the price will in no event be higher than Seller's last previous quote or charge therefore to Buyer.

WARRANTIES, PATENTS AND INDEMNIFICATION - In addition to all warranties implied in fact or law, Seller expressly warrants all goods delivered and services performed shall (i) be merchantable, of good quality and workmanship and free from defects; and (ii) conform to specifications, drawings, descriptions, and samples approved by Buyer. Acceptance of or payment for goods and/or services shall not constitute a waiver of warranties. Buyer's approval of sample shall not relieve Seller from responsibility to deliver goods and to perform services conforming to specifications, drawings and descriptions.

Seller shall indemnify and hold Buyer harmless against any loss, expense, costs and damages Buyer may sustain because of any defect in goods supplied or services performed hereunder or failure to deliver goods or perform services as herein specified.

Seller shall indemnify and hold Buyer and its customers harmless against all costs, damages, claims and demands for actual or alleged infringement, direct or contributory, of any foreign or domestic patents, trademarks, or other proprietary or similar rights because of the sale or use of any of the goods specified herein.

CANCELLATION - In addition to all other rights provided herein and by law, Buyer may cancel this order, in whole or in part, if the goods and/or services do not conform to any warranty, if Seller fails to make deliveries or perform services as directed by Buyer or if Seller becomes insolvent.

If this order requires or authorizes the delivery of goods in separate lots to be separately accepted and if any goods or tender do not conform, Buyer may reject any or all goods affected or the entire installment and any undelivered installments.

Buyer may cancel any part of this order for any goods which have not actually been shipped by Seller or for any services which have not actually been performed by Seller if Buyer's ability to receive or use the goods and/or services is adversely affected by any cause beyond its reasonable control and upon such cancellation Buyer shall be charged only (i) the contract price for conforming goods actually delivered or conforming services actually performed and (ii) Seller's actual costs for undelivered goods (including sums payable or paid by Seller to settle obligations assumed under the authority of this purchase order), such total charge to be in no event greater than the contract price. Upon such payment, all goods, whether in process or finished shall become Buyer's property.

TIME OF DELIVERY- Delivery dates specified herein are of the essence of this contract. If this order provides for partial shipments, Buyer may suspend shipments, upon notice to Seller, to any date or dates on or before last shipping date specified.

COMPLIANCE OF LAW- By acceptance hereof, Seller warrants that in its performance hereunder it will comply with all applicable federal, state and local laws, rules, regulations, administrative and executive orders and pertinent governmental procurement regulations. Without limiting the foregoing and to the extent applicable, Armed Services Procurement Regulations entitled as follows are incorporated herein by reference: "Utilization of Small Business Concerns"; Small business Subcontracting Program"; "Utilization of Concerns in Labor Surplus Areas"; "Labor Surplus Area Subcontracting Program"; "Buy American Act"; "Communist Areas", "Duty Free Entry - Canadian Supplies"; "Renegotiation"; "Officials Not to Benefit"; "Suspension of Work"; "Excess Profit"; "Military Security Requirements"; "Examination of Records"; "Priorities, Allocations, & Allotments"; "Audit and Records"; "Notice & Assistance Regarding Patent & Copyright Infringement"; "Filing of Patent Applications"; "Rights in Technical Data"; "Convict Labor"; "Contract Work Hours Standards Act of 1964 Overtime Compensation"; "Walsh-Healey Public Contracts Act".

Seller further warrants that it will comply with applicable provisions of Executive Order No. 11246, as amended, pertaining to Equal Employment Opportunity and the Fair Labor Standards Act of 1938, as amended. Each invoice for goods must certify that the goods invoiced were produced in accordance with the Fair Labor Standards Act of 1938, as amended.

If goods ordered hereunder are to be used in Buyer's place of employment, Seller warrants that such goods will be in compliance with the Occupational Safety and Health Act of 1970 and with the then applicable standards, rules, regulations and orders thereof. If services required hereby affect Buyer's place of employment or fixtures of goods therein, Seller warrants that Buyer's place of employment, fixtures and goods which such services affect will be in compliance with the Occupational Safety and Health Act of 1970 and with the then applicable standards, rules, regulations and orders thereof.

REPAIRS AND SERVICE- Buyer may repair defective goods and correct defective workmanship and charge Seller with the cost therefore.

INSURANCE AND INDEMNIFICATION – If seller is to perform any services for Buyer on any premises owned or controlled by Buyer or elsewhere, Seller agrees to:

- (i) Keep the premises and work free and clear of all mechanic's liens, and furnish to Buyer proper affidavits and/or waivers certifying thereto;
- (ii) Perform the work at Seller's sole risk prior to its written acceptance by Buyer and replace at Seller's sole expense all work damages or destroyed by any cause whatsoever;
- (iii) indemnify and hold Buyer harmless against any and all loss and expense, direct or indirect, relating to any damage or injury to property or person, including without limitation, damage or injury to Seller's or Buyer's employees or property, arising from or in connection with the performance of work hereunder;
- (iv) carry workmen's compensation insurance covering all employees to be used by Seller in connection with such work and public liability insurance covering Seller's liability hereunder;
- (v) prior to commencing work hereunder, furnish to Buyer certificates of its insurance carrier showing that such workmen's compensation and liability and property damage insurance is in force;
- (vi) indemnify and save Buyer harmless against any and all liability arising hereunder by reason of any applicable unemployment insurance laws.

DISCLOSURE OF INFORMATION – Any unpatented knowledge or information concerning Seller's products, methods or manufacturing processes which may be disclosed to Buyer shall, unless Buyer otherwise specifically agrees in writing, be deemed to have been disclosed as part of the consideration for this order, and Seller shall not assert any claim against Buyer as the result of Buyer's use thereof.

All drawings, patterns, specifications, samples or other goods furnished by Buyer to Seller for tendering or production or any other purposes, shall be strictly confidential and returned to Buyer upon completion or termination of the work or activity for which the same were furnished.

CHANGES IN SPECIFICATIONS – The Buyer reserves the right to make such changes in specifications and designs as may be necessary or desirable after this order is accepted.

BUYERS PROPERTY - All Tooling, supplies, materials, drawings, data, machinery, equipment, jigs, dies, gauges, fixtures, molds, patterns and other items furnished by Buyer or its customer, either directly or indirectly, to Seller to perform this Contract, or for which Seller has been reimbursed by Buyer or its customer, shall be and remain the property of Buyer and held by Seller on a bailment basis ("Buyer's Property").

All Buyer's Property, including Tooling, is subject to withdrawal at Buyer's direction upon reasonable notice and payment of freight. To the extent permitted by law, Seller waives its rights to object to the repossession of the Buyer's Property by the Buyer. No pulling charges will be considered should Buyer exert its right to repossess Buyer's Property.

As to Buyer's Property, the Seller will: a) properly house and maintain such property on Seller's premises, b) prominently mark and identify as Buyer or its customer's property using Buyer's or Seller's tool tags as set forth in the purchase order and related documents, and otherwise cooperate with Buyer's procedures regarding the identification of Buyer's Property, c) refrain from commingling it with the property of Seller or with that of a third party, d) adequately insure it with reputable insurers for full replacement value against loss or damage. Upon request, the Seller shall provide Buyer a certificate of insurance evidencing the insurance coverage, and e) promptly notify Buyer if Buyer's Property is lost, stolen, damaged or destroyed.

None of the Buyer's Property shall be removed from Seller's premises without Buyer's written consent. Seller shall keep such records in relation to the Tooling as Buyer may reasonably require. None of Buyer's Property shall be used in the production, manufacture or design of any goods or materials except to the order of Buyer. Seller shall not sell or otherwise dispose of Buyer's Property except where specifically authorized by Buyer in writing.

MISCELLANEOUS - In addition to all other rights of inspection herein expressed or implied by law, Buyer reserves the right to inspect any work being performed for Buyer by Seller and inspect Seller's equipment and facilities at any time during business hours.

Whenever Seller shall, by virtue hereof, have in its possession property Buyer, Seller shall be deemed an insurer thereof and shall be responsible for its safe return to Buyer.

Whenever Buyer has the right to demand of Seller adequate assurance of due performance, Buyer shall be the sole judge of the adequacy of assurance given by Seller.

Seller shall not assign any right or delegate any duty arising hereunder and any such attempted assignment of delegation shall be null and void.

No course of prior dealings between Buyer and Seller and no usage of the trade shall be relevant to supplement or explain the contract.

No delay or omission by Buyer in exercising any right or remedy hereunder shall be a waiver thereof or any other right or remedy, and no single or partial waiver thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. All rights and remedies of Buyer hereunder are cumulative.

This contract cannot be modified or amended except with Buyer's written consent.

This purchase order, any contract resulting herefrom, and performance hereunder shall be governed by the Uniform Commercial Code as adopted by the State of New York, as amended.

ADDENDUM FOR ORDERS SUBJECT TO AS-9100 REQUIREMENTS

Seller shall have in place programs to:

- (i) prevent the use of counterfeit items,
- (ii) ensure that persons are aware of their contribution to product or service conformity;
- (iii) their contribution to product safety;
- (iv) the importance of ethical behavior.
- (v) Flow down requirements for record retention and material disposition from buyer's customer.