

TERMS AND CONDITIONS

The following definitions apply unless otherwise specifically stated: "Buyer" shall be A.G.H. Industries, Inc., "Seller" shall be the person or company providing the item(s)/service(s) for this order. No agreement or other understanding in any way modifying the conditions of the contract resulting from the acceptance of this purchase order will be binding upon the Buyer unless made in writing and signed by the Buyer's authorized representative.

1. **Warranty.** The Seller expressly warrants that all materials, articles and work covered by this order will conform with applicable specifications, drawings and/or other descriptions given, will be free from defects, and will be merchantable and of good material. Unless the materials or articles covered by this order are manufactured completely to detailed design furnished by the Buyer, the Seller assumes design responsibility. The warranties of the Seller, together with its service warranties and guarantees, shall run to the Buyer and/or its customers.

2. **Packing and Delivery:** Deliveries shall be made as specified, without charge for crating, boxing, carting or storage unless otherwise specified. Materials shall be suitably packed to secure lowest transportation charge and in accordance with the requirements of common carriers. Delivery shall be strictly in accordance with the delivery schedule set out, or referred to in this purchase order. If Seller's deliveries fail to meet such schedule with the result that the Buyer elects to call upon Seller for express or other premium method of shipment, Seller will allow the difference between freight and such express or other premium method transportation rates.

Buyer's order numbers and line item number(s) must be marked on all invoices, packages, shipping orders and bills of lading. A packing list shall accompany each box or parcel, showing Buyer's order number, line item number(s) and description of materials. On shipments not accompanied by packing lists, Buyer's count or weight shall be final and conclusive. Shipping receipts or copies of bills of lading shall be sent to Buyer's purchasing department on date material is shipped. Invoices shall be provided in duplicate to Buyer's accounting department immediately after each shipment.

3. **Inspection:** If a specification number is noted for the articles and/or materials ordered, Seller shall furnish a report or other form of certification with packing sheet or invoice confirming manufacture of the article and/or materials according to specification, current as of the date of this order unless otherwise specified on the face of the order. This report shall bear Buyer's purchase order number and a description of the articles shipped.

Seller shall provide a complete and accurate inspection system, satisfactory to Buyer, covering the inspection of all materials and finished articles.

All articles and materials ordered will be subject to final inspection and approval by Buyer after delivery, notwithstanding prior payment, it being expressly agreed that payment shall not constitute final acceptance. Buyer may reject any article which contains defective material or workmanship or does not conform to specifications or samples. Rejected articles and/or materials may be returned at Seller's risk and expense at full invoice price plus applicable incoming transportation charges, if any. No replacement of defective material shall be made unless specified by Buyer.

All goods furnished hereunder shall be subject to inspection and test by the Buyer's customer at its option.

4. **Termination:** If the Seller does not make deliveries as specified in the schedules or if the Seller breaches any of the terms thereof including the warranties of the Seller, the Buyer reserves the right to cancel at no cost to the Buyer all or any portion of the undelivered portion of this order. Buyer may terminate this order or any portion thereof in the event of the happening of any of the following: (1) insolvency of Seller; (2) filing a voluntary petition in bankruptcy; (3) filing of an involuntary petition to have Seller declared bankrupt, provided it is not vacated within 30 days from the date of filing; (4) the appointment of a receiver or trustee for Seller, provided such appointment is not vacated 30 days from date of such appointment; (5) the execution by the Seller of an assignment for the benefit of creditors. The Buyer shall not be liable for any cost resulting from the Termination of this order where such Termination is the result of the Seller's fault or negligence.

The remedies provided in this section shall be conclusive and additional to any other or further remedies provided in law or equity.

5. **Assignment:** No assignment of this order or any monies due to become due thereunder shall be binding upon Buyer without the written consent thereto by Buyer. Payment to assignee of any claim under this order shall be subject to set off or recoupment for any present or future claim or claims which Buyer may have against Seller.

6. **Nondiscrimination in Employment:** The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment created thereby.

7. **Insurance:** Seller agrees to carry, and warrants that Seller does carry, Workers' Compensation, General Liability, and Property and Casualty insurance in amounts sufficient: (1) To protect Buyer from all claims made as a result of Seller's liability to third parties (2) To protect Buyer from all claims made against Seller and Buyer by Seller's agents, employees, and contractors, and (3) To protect Buyer from loss of materials furnished to Seller.