

PURCHASE ORDER CONDITIONS

1. No changes in terms, conditions, prices, quality and deliveries or agreement or understanding to modify this contract shall be binding upon the buyer unless in writing and signed by the buyer's authorized agent. All specifications, blue prints, drawings and data submitted to seller with this order are hereby incorporated herein and made a part hereof.
2. If price is not stated on order, seller agrees to invoice at lowest prevailing market price.
3. Buyer shall not be bound by this order until Seller executes and returns to buyer an acknowledgment copy of the order. Seller shall be bound by this order and its terms and conditions when it executes and returns an acknowledgement or when it delivers to buyer any of the items ordered, or renders for buyer any of the services ordered herein.
4. No goods returned as defective shall be replaced without a purchase order.
5. The buyer reserves the right to charge back to the seller the buyer's cost of any rework and excess inspection necessary to make part conform to agreed specifications, if such work is necessary so that buyer can have parts on agreed scheduled delivery date.
6. The buyer reserves the right to cancel this order or any unfilled portion thereof if materials delivered are not according to specifications or deliveries are not made on agreed schedule. Material is subject to buyer's inspection and approval within a reasonable time after delivery.
7. The buyer is not obligated to accept material in excess of quantities ordered or at other than specified delivery dates.
8. Any tools, dies, molds, patterns, or fixtures purchased outright by the buyer shall not be used by the seller otherwise than to fill the buyer's specified requirements. The seller agrees to maintain such tools at his expense in such condition as to be able to produce specified quality at maximum capacity.
9. The seller will settle or defend and pay any damages and costs awarded in any proceeding against the buyer for alleged infringements of any patent rights allegedly caused by the use, lease, or sale of any article furnished by seller.
10. The remedies herein reserved are cumulative and in addition to any other remedy provided by law. The waiver of a breach of any provision of this contract shall not constitute a waiver of any other breach of any provision hereof.
11. The buyer reserves the right to cancel this order at any time for any cause and agrees in the event of any such cancellation to reimburse the seller for all agreed costs and expenses necessarily incurred in filling or preparing to fill this order prior to receipt of notice of such cancellations. Upon making such reimbursement the buyer shall become the owner and entitled to possession of all materials or partly manufactured articles so paid for.

G-M-I, Inc.