

**Precision Deep Draw LLC dba Prospect Machine Products**  
**TERMS OF PURCHASE**

Unless otherwise stated on previous sheet(s), all orders related to this document shall be subject to the following:

**AGREEMENT** Seller accepts this order and any amendments by signing the acceptance copy of the order and returning it to the buyer and accepts and agrees to all the terms contained in this order. These terms may be modified only by written document signed by duly authorized representatives of Buyer and Seller.

**DEFAULT** Buyer may by written notice of default to Seller terminate all or any part of this order if Seller fails to perform, or so fails to make progress as to endanger performance of this order in accordance with its terms. As an alternate remedy, and in lieu of termination for default, Buyer, at its sole discretion, may elect to extend the delivery schedule and/or waive other deficiencies in Seller's performance. If Seller for any reason anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of this order, Seller will promptly notify Buyer in writing.

**PRICING** This order must not be filled at a price higher than shown on the face of the order. If no price is set forth on the front of the order, the goods or services will be billed at the price last quoted or at the prevailing market price, whichever is lower, and, in any event, goods and services ordered under this order will not be billed at a higher price than last quoted or charged without Buyer's specific written authorization. No extra charges of any kind will be allowed unless specifically agreed to in writing by the Buyer.

**INVOICES, PAYMENT, AND TAXES** (a) Invoices shall be rendered on completion of services or delivery of goods and shall contain the Purchase order Number, item number, description of goods or services, quantities, unit prices, date(s) rendered and total purchase price. Each invoice must refer to one, and only one, purchase order. (b) Payment shall be made on the terms of net 30 days from the date of invoice. (c) Seller recognizes that Buyer will be treated as a tax-exempt entity, and Buyer will provide Seller with its exemption certificate on request. All invoices of Seller to Buyer shall exclude taxes that are excludable under Buyer's tax-exempt status.

**PACKAGING AND SHIPPING** All goods must be packaged in the manner specified by Buyer and shipped in the manner and by the route and carrier designated by Buyer. If Buyer does not specify the way the goods must be packaged, Seller shall package the goods to avoid any damage in transit. If Buyer does not specify the manner of shipment, route, or carrier, Seller shall ship the goods at the lowest possible transportation rates, consistent with Seller's obligation to meet the delivery schedule set forth in this order.

**INSPECTION** All goods and services will be subject to quality inspection by Buyer. Final acceptance or rejection of the goods or services will be made as promptly as practical after delivery except as otherwise provided in this order. Seller will provide and maintain an inspection and process control system acceptable to Buyer covering the goods and services ordered. Records of all inspection work by Seller will be kept complete and available to Buyer. If any of the goods or services are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of this order, then Buyer, at its sole discretion may reject and return such goods at Seller's expense, require Seller to inspect the goods and remove nonconforming goods and/or require Seller to replace nonconforming goods or services with conforming goods or services.

**WARRANTY** Seller represents and warrants that all goods sold will be of merchantable quality, free from all defects in design, workmanship, and materials, and fit for the purposes for which they are purchased and that the goods and services are provided in accordance with the specifications, samples, drawings, designs, or other requirements approved or adopted by Buyer. Seller shall replace or correct, at Buyer's option and at Seller's cost, defects of any goods not conforming to this warranty.

**INDEMNIFICATION** Seller shall indemnify and hold Buyer and its affiliates harmless and, on Buyer's request, shall defend each of them from and against any or all third party claims, demands, litigation, or proceedings of whatever kind, whether based upon negligence, breach of express or implied warranty, strict liability, infringement of intellectual property rights, arising out of, by reason of, or in any way connected with the goods and/or services, the design, manner of preparation, manufacture, construction, completion, or delivery or non-delivery of any goods and/or services by Seller, any breach by Seller of any of its obligations hereunder, or any other act, omission or negligence of Seller or any of Seller's employees, workers, servants, agents, subcontractors, or suppliers.

**LIMITED LIABILITY** Buyer's cumulative liability arising from or relating to this order is limited to the amount paid by Buyer for the goods and/or services. To the maximum extent allowable under applicable law, Buyer shall not be liable under this order for any special, incidental, consequential, indirect, or punitive damages including, without limitation, lost revenues even if Buyer has been advised of the possibility of such damages.

**CHANGES** At all times Buyer will have the right to make changes to this order, including changes to drawings, designs, configurations, specifications, quantities, methods of shipment or packing and delivery schedules or location of delivery. If any such changes cause an increase or decrease in the cost of or the time required for the performance of any work under this order, an equitable adjustment will be made in the contract price or delivery schedule, or both, and this order will be modified in writing accordingly.

**FEDERAL AND STATE LAWS** Seller represents and warrants that it is in compliance with and all goods and/or services supplied hereunder have been produced or provided in compliance with the applicable provisions of all federal, state, or local laws or ordinances and all related lawful orders, rules and regulations.

**CONFIDENTIAL OR PROPRIETARY INFORMATION** Notwithstanding any document marking to the contrary, any knowledge or information that the Seller has disclosed or may later disclose to Buyer, and which in any way relates to the goods or services covered by this order will not, unless otherwise specifically agreed to in writing by Buyer, be deemed to be confidential or proprietary information, and will be acquired by Buyer, free from any restrictions.

**INSURANCE** Seller will maintain Comprehensive General Liability (including Contractual Liability coverage insuring the liabilities assumed in these Terms), Automobile Liability and Employers' Liability insurance with limits as reasonably required by Buyer, as well as appropriate Workers' Compensation insurance as will protect Seller from all claims under any applicable workers' compensation and occupational disease acts. At Buyer's request, Seller will furnish to Buyer a Certificate of Insurance completed by its insurance carrier(s) certifying that the required insurance coverage is in effect, with waiver of subrogation, naming Buyer as an additional insured, and containing a covenant that such coverage and will not be canceled or materially changed until ten (10) days after prior written notice has been delivered to the Buyer.