1. ACCEPTANCE. This Purchase Order is to be accepted in writing by Seller by signing and returning promptly to Buyer the Acknowledgement Copy, but if for any reason Seller should fail to sign and return the Acknowledgement Copy, the commencement of any work or performance or furnishing of any services shall be proof of acceptance of this Purchase Order and all its terms and conditions. Acceptance of this Purchase Order is hereby expressly limited to the terms hereof. All agreements and understandings, written or oral, made with Seller purporting to modify the terms hereof, or to make any changes herein, shall be null and void if not in writing and signed by authorized representatives of both Buyer and Seller. If any part of this Purchase Order is in conflict with the provisions of any applicable labor law, such provisions shall control, and in the event of any such conflict, the terms contained herein, such terms shall constitute a counter offer and Seller shall be deemed to have accepted any such solicitation is a material breach of every contract between Buyer and Seller.

2. NON-DISCLOSURE OF CONFIDENTIAL MATTER. Materials purchased hereunder with the Buyer’s knowledge or with the Buyer’s consent, and any other property owned by Buyer, including all or any part of this or any other purchase order, are to be held by Seller in strict confidence and shall not be disclosed to any third person or persons, and all or any part of this or any other purchase order and all or any part of the terms contained therein, and all or any part of the specifications or drawings furnished in connection with the same, and all or any part of the quantities or prices named in this or any other purchase order, shall be treated as the confidential property of Buyer and shall not be disclosed to any third person or persons or used by Seller for any purpose other than the performance of this Purchase Order. Seller shall not, without prior written consent of Buyer, sell, assign, transfer, disclose or convey any of the completed or substantially completed products, services or processes hereunder to any third person.

3. PURCHASING TERMS AND CONDITIONS. PURCHASING TERMS AND CONDITIONS.

4. BLANKET PURCHASE ORDERS. Where this contract is for purchase and sale of a stated quantity, delivery requirements. Seller agrees that if at any time during the life of this Purchase Order it quotes or agrees to quote on any similar products, materials, supplies, facilities or services, the Buyer may, at Buyer’s option, (a) be returned at Seller’s expense for proper delivery, (b) have payment withheld until Buyer has received the date that goods are scheduled for delivery, or (c) be placed in storage for Seller’s account until date delivery specified herein.

EXCEPT as otherwise provided herein, title and risk of loss on all goods supplied to Buyer hereunder shall pass to Buyer upon delivery to Buyer, f.o.b. place of delivery.

5. WARRANTIES. Unless otherwise stated, all goods are warranted to be merchantable and fit for the purpose for which they are intended, free from all defects in materials, design, and workmanship, and to be delivered free of any lien, charge, or encumbrance. Buyer has the right to inspect, test, and count all goods furnished hereunder, and to return any goods that do not conform to the specifications, drawings, or other requirements hereof, and to require correction of any defects in materials, workmanship, or performance. Seller agrees to furnish the Buyer with a warranty certificate, signed by Seller’s executive officer, stating that all goods furnished hereunder for each purchase order are merchantable and free from any defects in materials, design, and workmanship; and

6. PRICES AND TAXES. Unless otherwise stated, all quoted prices are firm for a stated period of time, and become effective at the time stated and are subject to availability. Buyer reserves the right to make changes at any time in any price stated in this Purchase Order, and such changes shall become effective when communicated to the Seller in writing. In the event that the price of materials or labor increases after the date of this Purchase Order, Buyer shall be entitled to receive such increased price as may be so increased, and any such increase shall be paid for by Buyer in addition to the original price of the materials or labor.

7. INSURANCE. Buyer shall require Seller to have insurance in effect during the performance of this Purchase Order, and Buyer may require additional insurance as may be necessary.

8. DESTRUCTION OF EQUIPMENT. The failure of Seller to meet the delivery dates, specifications, packing requirements and other conditions of this Purchase Order shall relieve Buyer of the obligation to pay for the non-delivered goods or services, and Buyer may, at its option, cancel all or part of this Purchase Order and procure such equipment, or related goods and services, from other suppliers, and any such equipment or services may be charged to the Seller for the non-delivered goods.

9. DELIVERY. The obligation of Seller to meet the delivery dates, specifications, packing requirements and other conditions of this Purchase Order shall be subject to the receipt of all materials and supplies as required by Seller and as provided for herein. If any materials or supplies are not delivered to Seller on or before the date specified in this Purchase Order, Buyer shall be entitled to charge Seller for any additional storage costs incurred by Buyer.

10. PAYMENT. All payments are made conditional upon acceptance by the Buyer of the goods called for under this Purchase Order. Buyer’s acceptance of any goods or services shall not constitute a waiver of any rights to which it may be entitled under this Purchase Order. Buyer reserves the right to withhold payment or to make payments on a partial payment basis until such time as all goods or services have been accepted by Buyer.

11. TERMINATION. Additionally, if Buyer determines that it is not in the best interests of Buyer to continue this Purchase Order with Seller, Buyer shall have the right to terminate this Purchase Order at any time and for any or no reason, provided that Buyer shall give Seller written notice of such termination and Buyer shall pay Seller for all goods and services delivered and all work performed by Seller up to the date of termination.

12. SUBCONTRACTING. No subcontracting shall be made by Seller without written approval of Buyer. Buyer may, at its option, cancel all or part of this Purchase Order and procure such equipment, or related goods and services, from other suppliers, and any such equipment or services may be charged to the Seller for the non-delivered goods.

13. INSOLVENCY, LOSS OF PROFITS, DAMAGES. The insolvency or adjudication of bankruptcy of, or the assignment for the benefit of creditors of, Seller shall be deemed a breach of this Purchase Order, and Buyer shall have the option to accept delivery, or to terminate this Purchase Order, or to continue this Purchase Order. In the event of any such breach, Buyer shall have the option to accept delivery of the goods or services at the price specified in this Purchase Order, or to reject the goods or services and to retain any deposit, down payment, or advance already made by Buyer, to the extent allowed by law.

14. PATENTS, ROYALTIES AND ENCUMBRANCES. All tools and materials supplied by Seller shall be free of any patent, royalty or other encumbrances which may affect the free use of such tools and materials by Buyer, provided, however, that such period may be extended upon the written request of Seller.

15. WARRANTIES AND INSURANCE. Buyer shall require Seller to have insurance in effect during the performance of this Purchase Order, and Buyer may require additional insurance as may be necessary.

16. LICENSE. The Seller, as part consideration for this Purchase Order and without further cost to Buyer, agrees to execute all necessary licenses and to sell, manufacture and cause to be manufactured products embodying any and all inventions, trade secrets, or know-how which Buyer may acquire from Seller or which Seller may acquire from any third person or persons, and Buyer may, at its option, (a) be returned at Seller’s expense for proper delivery, (b) have payment withheld until Buyer has received the date that goods are scheduled for delivery, or (c) be placed in storage for Seller’s account until date delivery specified herein.