



GIDDENS
I N D U S T R I E S

TERMS AND CONDITIONS

Purchase Order Terms & Conditions: Seller agrees to sell to Buyer the Product(s), including services, described in this Order, in accordance with the requirements documented or referenced on this Order and in accordance with the following Terms and Conditions. Buyer is not bound by, and hereby objects to, any of Seller's terms or condition that are different from, or in addition to, the provisions of this Order and these Terms and Conditions.

1. **CHANGES.** No modification of this Order shall be binding on Buyer unless made by a Change, executed in writing by Buyer's authorized representative. Buyer may at any time, by written Change make changes in any of the following: 1) drawings, design or specifications, 2) method of shipment or packing, 3) place of inspection, delivery or acceptance, 4) reasonable increases or decreases in quantities, 5) reasonable changes in delivery schedules, and 6) changes in the quantities of Buyer furnished materials, tooling, et.al. Seller shall proceed immediately to perform this Order as changed. If any change causes any increase or decrease in the cost or in the time required in the performance of the work, an equitable adjustment will be made in the price or schedule. Seller must make all claims for adjustments in within thirty (30) days from notice of the change. Expedite charges, if any, will be negotiated based on actual costs incurred. If Seller fails to meet agreed upon delivery date, Buyer will not be required to pay any expedite charges.

QUALITY ASSURANCE. Seller shall perform in accordance to Giddens Industries, Inc. Quality Assurance Requirements for Suppliers, Form G-330, latest revision, which by reference hereto is made a part hereof.

SPECIFICATIONS AND CERTIFICATIONS. All material, parts and or assemblies ordered herein shall be to the latest applicable engineering, drawings and/or specifications, unless specific revision numbers or drawing issues are shown in the text of the Order. By accepting this Order, Seller verifies that Seller is authorized, per the latest qualified producer list, to provide material and/or to produce and/or to utilize processes per Order specifications. Material certifications and certification of inspection operations are required with each shipment. In addition, mill certifications are required with each shipment of raw material. Material accountability is an Order requirement.

DELIVERY. All deliveries shall be strictly in accordance with the applicable quantities and schedules set forth in this Order. **TIME IS OF THE ESSENCE IN THE PERFORMANCE OF THIS ORDER.** Whenever it appears Seller will not meet the delivery schedule, Seller shall immediately notify Buyer of the reason and length of the delay. Any additional costs caused by delay, including subsequent expedite costs, lot charges, air freight costs incurred by Buyer in shipment to its customers, et.al., shall be borne by Seller. Shipments earlier than seven (7) days to Order due date may not be accepted without written authorization from Buyer.

PACKING AND SHIPPING. Seller shall package Product(s) for shipment to prevent damage or deterioration, in compliance with Buyer's requirements at its own cost, unless otherwise stated in this Order. Unless otherwise specified, the FOB point shall be Buyer's location designated on the face of this Order, and Title shall pass to Buyer upon receipt, however, passing of title shall not relieve Seller of any other obligations under this Order.

RIGHT OF ENTRY. Buyer retains the right of entry to Seller's facility for purposes of administering this Order or, with advance notice at reasonable times and intervals. This right is also afforded to Buyer's customer, eventual OEM and regulatory authorities.

SCRAP. Seller shall be fully responsible for all Buyer furnished materials. Unless specified otherwise in this Order(s), Seller will reimburse Buyer, at Buyer's cost for replacement material, for materials damaged or scrap for any reasons, including non-conforming goods, process scrap, et al. Seller shall be entitled to the scrap value for scrap material, including process scrap.

SELLER'S WARRANTY. Seller warrants that each Product and corrected Product will be free from all defects in materials and workmanship and will strictly conform to the requirements of this Order, including, but not limited to the applicable descriptions, specifications and drawings; and to the extent not manufactured pursuant to detailed designs furnished by Buyer, be free from all defects in design and fit for the intended purpose. The warranty set forth above shall remain in effect for forty-eight (48) months after delivery to Buyer, unless otherwise stated in this Order.



GIDDENS
INDUSTRIES

TERMS AND CONDITIONS

INVOICE AND PAYMENT. Seller shall send a separate invoice in duplicate for each shipment. The invoice shall include: Order number, item number, part serial number (if serialized), and part number shown on the face of this Order. Payment shall not constitute acceptance of Product(s). Payment terms are Net 30 calendar days from the later of receipt of Product or invoice.

TERMINATION FOR DEFAULT. Buyer may by giving written notice to Seller, immediately cancel this Order, in whole or in part for any failure by Seller to deliver any Product, failure to provide reasonable assurance of performance, failure of Seller to comply with any other obligation under this Order; in the event Buyer revokes Seller's Quality Assurance System approval, or in case of the suspension, dissolution or winding up of Seller's business, its insolvency or inability or nonpayment of debts as they become due.

RESTRICTIONS ON USE AND DISCLOSURE OF DATA. All information provided with the Order is proprietary and confidential. No part of this information shall be used for any purpose other than accomplishing Order requirements without Buyer's written authorization. Seller shall not, without prior written consent of Buyer, make any disclosure, news release or public announcement, denial or confirmation of same, concerning this work.

PRODUCTION AND QUALITY RECORDS. Seller agrees to retain all production and quality control records for a period seven (7) years after final payment, at which time Seller shall request disposition instructions from Buyer and shall transfer or dispose of such records as Buyer requests.

ASSIGNMENT AND SUBCONTRACTING. Seller shall not assign any part, or subcontract any substantial part, of this Order without Buyer's prior written consent.

COMPLIANCE WITH LAWS. Seller warrants that it shall comply with all applicable Federal, State and local laws, rulings, and regulations in effect on the date of this Order, including applicable requirements of the Fair Labor Standards Act and Federal Acquisition Regulations.

PARTIAL INVALIDITY. If any provision of this Agreement or this Order is, or becomes, void or unenforceable by force or operation of law, all other provisions shall remain valid and enforceable.

CHOICE OF LAW. The substantive and procedural laws of the State of Washington, disregarding its Conflict of Law provisions hereunder, shall govern this Agreement and this Order and any dispute arising pursuant to them. Venue shall reside in Snohomish County, Washington.

COMPLETE AGREEMENT. This Agreement and this Order are intended by the Parties as a final expression of their agreement and are the complete and exclusive statement of all terms and conditions of agreement. No course of prior dealings between the Parties, and no usage of trade, shall be relevant to supplement or explain any term used in this Agreement or in this Order.