

# CONDITIONS OF PURCHASE



**1. Price.** Buyer shall not be billed at prices higher than stated on this Purchase Order unless authorized in writing signed by Buyer. Seller represents that the prices charged for the items covered by this order comply with applicable government regulations in effect at time of quotation, sale or delivery.

**2. Our Payment Terms.** Acceptable discount invoices received 30th to 13th inclusive will be paid on the 15th of the month. Acceptable discount invoices received 14th to 29th inclusive will be paid on the 1st of the month. Invoices with Net 30 Day terms will be paid on the 1st or 15th of the month following the expiration of 30 days. Discounts shall be allowed when so paid. All invoices must be dated no earlier than the probable delivery date of the material and no later than the date of shipment.

**3. Amendments.** No agreements or understanding to modify this contract shall be binding upon the buyer unless in writing and signed by buyer's authorized agent. All specifications, drawings, and data submitted to Seller in connection with this order are hereby incorporated herein and made a part hereof.

**4. Changes.** The Buyer reserves the right at any time to make changes in any one or more of the following; (a) Specifications, drawings and data incorporated in this contract where the items to be furnished are to be specifically manufactured for the Buyer; (b) methods of shipment or packing; (c) Place of delivery and (d) Time of delivery.

If any such change causes an increase or decrease in the cost of or the time required for performance of this contract, an equitable adjustment shall be made in the contract price or delivery schedule, or both. Any claim by Seller for adjustment under this clause shall be deemed waived unless asserted in writing within ten (10) days from receipt by Seller of the change. Price increases or extensions of time for delivery shall not be binding on Buyer unless evidenced in writing signed by Buyer

**5. Delivery.** Time is of the essence of this contract, and if delivery of items is not completed by the time promised, the Buyer reserves the right without liability in addition to its other rights and remedies to terminate this contract notice effective when mailed to Seller as to stated items are not yet shipped and to purchase substitute items or services elsewhere.

**6. Inspection.** Materials or equipment purchased hereunder are subject to inspection and approval at the Buyer's destination. Buyer reserves the right to reject and refuse acceptance of items which are not in accordance with the instructions, specifications, drawings and data of Seller's warranty (express or implied). Items not accepted will be returned to Seller at Seller's expense. Payment for any article hereunder shall not be deemed an acceptance thereof.

**7. Warranty.** By accepting this order Seller hereby warrants that the items will be free from defects in materials and workmanship, merchantable and in full conformity with Buyer's specifications, drawings, and data, or Seller's samples and that items furnished hereunder will be fit for the use intended by Buyer provided Seller has reason to know of such intended use. Seller agrees that this warranty shall survive acceptance of the items. Said warranties shall be in addition to any warranties of additional scope given to Buyer by Seller. No implied warranties by the Seller are excluded.

**8. Property Furnished to Seller by Buyer.** Unless otherwise agreed in writing, all special dies, molds, patterns, jigs, fixtures and any other property furnished to Seller by the Buyer or specifically paid for by the Buyer, for use in the performance of this contract, shall be and remain the property of the buyer, shall be subject to removal upon the Buyer's instruction, shall be used only in filling orders from the Buyer, shall be held at Seller's risk, and shall be kept insured by the Seller at the Seller's expense while in its custody or control in an amount equal to the replacement cost thereof with loss payable to the Buyer. Copies or policies or certificates of such insurance will be furnished to Buyer on demand.

**9. Patents.** Seller agrees to indemnify and hold harmless the Buyer against all costs and expenses, including attorney's fees, and undertakes and agrees to defend at seller's own expense, all suits, actions, or proceedings in which Buyer or the users of any of Buyer's products are made defendants for actual or alleged infringement of any U.S. or foreign letters patent resulting from the use or sale of the items purchased hereunder (except infringement necessarily resulting from adherence to Buyer's specifications or drawings) and further agrees to pay and discharge any and all judgments or decrees which may be rendered in any such suit action or proceedings against such defendants therein.

**10. Compliance with Laws.** In accepting this order Seller represents that it has and will continue during the performance of this order to comply with the provisions of all federal, state and local laws and regulations from which liability may accrue to Buyer from any violation thereof. By acceptance hereof, Seller certifies compliance with the Fair Labor Standards Act of 1938 as amended.

**11. Termination.** Buyer shall have the right to terminate this order in whole or in part, by giving written, verbal or telegraphic notice to Seller. Upon receipt of such notice, Seller shall, unless the notice directs otherwise, immediately discontinue the work and the placing of order for materials, facilities and supplies and shall make every reasonable effort to procure cancellation of all such existing orders or contracts upon terms satisfactory to Buyer. Seller shall thereafter do only such work as may be necessary to preserve and protect work already in progress and to protect material, plan and equipment on such work or in transit thereto. In case of such termination, it is agreed that Seller shall be entitled to a prorated compensation for the unpaid portion of the contract already performed, including material for which the firm contracts have been made, to which Buyer shall be entitled. The foregoing shall be the sole remedy available to Seller in the event of termination by Buyer.

**12. Indemnify.** The Seller agrees to indemnify and save the buyer harmless against all liabilities, claims or demands for injuries or damages to any person or property arising out of Seller's acts or omissions in the performance of this contract.

**13.** This contract shall be governed by the laws of the State of Wisconsin.