

Volkert Precision Technologies, Inc.
PURCHASING CONDITIONS AND INSTRUCTIONS

1. ACCEPTANCE AND ACKNOWLEDGEMENT

The Seller will acknowledge this order confirming price and delivery. No modification of the condition herein shall be valid unless accepted in writing by the Buyer. The Buyer shall not be bound by any printed matter on the Seller's acknowledgment forms or invoices which is at variance with such conditions. Retention of this order for 10 days without written notice to the Buyer of any exceptions or shipment of any part thereof, shall constitute acceptance without reservation.

2. PACKING

No charge will be allowed for packing or containers unless previously agreed in writing. **Enclose a packing slip with each shipment stating the exact quantity and description of the material. In the absence of such slip, Buyer's count will be accepted as final.** Show Buyer's order number on shipping container and packing slip.

3. INVOICES

Render invoices, with bill of lading or comparable shipping papers. State: (1) Buyer's order number, (2) Seller's packing slip number. Sales or excise taxes, if assumed by the Buyer, must be shown separately.

4. INSPECTION

All materials and workmanship must conform to specifications, drawings or sample. Rejected material will be returned for full credit at the Seller's expense, including transportation charges paid by the Buyer. No replacements are to be made unless specified by the Buyer.

5. PRICES

This order shall not be filled at prices higher than last quoted or charged by the Seller without the Buyer's written consent. The Seller agrees to assume the payment of all sales or excise taxes, unless otherwise agreed in writing.

6. FEDERAL/STATE WAGE AND HOUR LAWS

In accepting this order, Seller shall be deemed to represent that the goods to be furnished hereunder were or will be produced in compliance with the requirements of the Federal/State Wage and Hour Laws as amended.

7. DELIVERY

All shipments are to be made as noted on the face of the order. The Buyer may cancel all or any part of the order if, due to the fault of the Seller, delivery is delayed more than twenty days beyond the time specified by the Buyer. Unless otherwise agreed in writing, material commitments and production arrangements should not be made in excess of the amount or in advance of the time necessary to meet the specified delivery schedule. It is the Seller's responsibility to comply with the Buyer's delivery schedule. Shipments are to be made via Purchase Order instructions. Excess freight as a result of using unauthorized carriers will be charged back to the Seller.

8. TOOLS AND EQUIPMENT

If the Buyer supplies any tools, jigs, fixtures, dies, production or testing equipment to be used by the Seller in the fulfillment of this order, items of such property shall be the property of the Buyer, to be used solely for the purpose of the Buyer's orders and shall remain returned to the Buyer or its nominee upon demand when no longer required for the Seller's performance under the Buyer's order.

9. SCRAP

Scrap resulting from the manufacturing process of any material furnished to the Seller by the Buyer shall remain the property of the Buyer.

10. PATENTS

The Seller will defend any suite or proceeding brought against the Buyer or its customers so far as based on a claim that any article or material hereby ordered constitutes an infringement of any United States patent, trademark, or copyright.

11. ASSIGNMENT

The Seller agrees that neither this order nor any part thereof may be assigned by the Seller to any other party.

12. PERFORMANCE

Supplier Performance will be monitored by the Buyer. Quality, On-Time Delivery and Responsiveness are key metrics that will be part of the Supplier Scorecard System. Supplier will receive reports if performance is not satisfactory.

13. CONFIDENTIALITY

Seller agrees to treat as strictly secret and confidential all specifications, drawings, blueprints, nomenclature, samples, models and other information supplied by Buyer. Unless the written consent of Buyer is first obtained, Seller shall not in any manner advertise or publish or release for publication any statement mentioning Buyer or the fact that Seller has furnished or contracted to furnish to Buyer articles required by this order. The Seller shall not disclose any information relating to this order to any person not entitled to receive it.

14. Volkert Precision Technologies, Inc., Inc Hold Harmless/Insurance Provision

If this purchase order is entered into with any vendor, contractor, or any other entity or person ("Contractor") for purposes of such Contractor engaging in any activity whatsoever at the premises and/or on the property of Volkert Precision Technologies, Inc., such Contractor shall indemnify and hold harmless Volkert Precision Technologies, Inc., its employees, agents, representatives, officers, directors, shareholders, successors and assigns ("Volkert") from and against any and all losses, liabilities, suits, injuries, including injuries to persons or property, expenses, damages and/or any other claims of any kind or nature whatsoever ("Claims") which result from and/or arise out of acts or omissions of Contractor, and/or Contractor's agents, subcontractors, employees, representatives, officers, successors and/or assigns, incident to the performance of the Purchase Order. Contractor, prior to engaging in any activity at the premises and/or on the property of Volkert, shall purchase and keep in full force and effect insurance in such amounts as shall be reasonably required by Volkert, for the duration of the performance of the activity under this Purchase Order and for such longer term as Volkert shall reasonably require, to protect Volkert from any Claims which might result from and/or arise out of acts or omissions of Contractor incident to the performance of this Purchase Order, including workers compensation insurance, comprehensive general liability insurance for bodily injury, property damage and personal injury, and comprehensive automobile general liability insurance covering any auto, all owned autos, hired autos and non-owned autos for bodily injury, property damage and personal injury, and such other insurance coverage and coverage amounts as Volkert shall reasonably require. Contractor shall provide Volkert with proof of insurance coverage upon request.