

PURCHASE ORDER GENERAL TERMS AND CONDITIONS

1. **AGREEMENT-** Agreement by seller to furnish the materials or services hereby ordered, or furnishing by Seller of such material or services in whole or in part shall constitute acceptance by seller of this order and of the terms and conditions set forth herein. Any terms or conditions proposed by seller inconsistent with or in addition to the terms and conditions herein contained shall be void and of no effect unless specifically agreed to by buyer. No variation from change in or modification of this order or waiver or requirements thereof or rights there under shall be binding upon Buyer unless in writing and signed by Buyer. Any conflicting provisions herein shall prevail in the following order of priority - (I) typewritten provisions on the face of this Order. (II) Special Terms and Conditions. (III) General Terms and conditions, (IV) referenced or attached specifications, (V) referenced or attached drawings, (VI) furnished samples and (VII) designated type, part number or catalog description.
2. **DELIVERY** - Time of delivery is of the essence of the Order. Except as hereinafter specified delivery shall be strictly in accordance with the delivery schedule set out or referred to on the face of this Order. Buyer reserves the right to refuse or return at Seller's risk and expense shipments made in advance of the delivery schedule or in excess of the amount or in advance of the time necessary to meet the delivery schedule required hereunder, or in advance of the times, if any, set forth on the face hereof.
3. **COMPLIANCE WITH LAWS** - By acceptance of the Order, seller warrants that the goods to be furnished and the services to be rendered under this Order will be produced and furnished in accordance with the provisions of the Federal Fair Labor Standard Act of 1938, as amended and with all applicable State, Federal and local laws, rules and regulations and agrees to furnish all certificates required as evidence of compliance therewith, and to indemnify Buyer against any loss incident to violation of law arising out of the use of sale of the goods or products covered by this Order.
4. **WARRANTY** - Seller warrants for one year from the date of manufacture that all materials delivered hereunder shall be free of defects in material or workmanship. Seller's sole responsibility under this warranty is the option to provide a replacement or issue a credit for the affected product. Seller shall not be liable for any loss, damage or expense whatsoever including without limitation, incidental and consequential damages the Buyer may suffer. Prototype and/or product in development is not warranted.
5. **PACKAGING** - Unless otherwise specified or unless not adequate to protect the required items against corrosion, deterioration and physical damage during the shipment on the specifications shall be of the like effects as if shown or mentioned in both. In any case of discrepancy or ambiguity between the item discrepancy or ambiguity between the item description specifications drawings, samples and/or other requirements of the Order, the Seller shall before proceeding promptly submit the matter to the Buyer for decision, instructions, or interpretation.
6. **SPECIFICATIONS, DRAWINGS AND SAMPLES** - Anything mentioned in the specifications and not shown on the drawings, or shown on the drawing and not mentioned on the specifications shall be of the like effects as if shown or mentioned in both. In any case of discrepancy or ambiguity between the item description, specifications, drawings, samples and/or other requirements of this Order, the Seller shall before proceeding, promptly submit the matter to the Buyer for decision, instructions or interpretation.
7. **CHANGES** - The buyer shall have the right, at anytime and without notice to sureties or assignees to make changes within the general scope of the Order in any one or more of the following: (a) specifications, drawings, design and data incorporated in this Order, where the items to be furnished are to be specially manufactured for the Buyer. (b) methods of shipment or packing and (c) place of deliver. If any such change causes an increase or decrease in the cost of, or the time required for performance of the Order, an equitable adjustment shall be made in the Order price or delivery schedule or both. Seller must within ten (10) days from receipt by Seller be deemed waived. Failure to agree to any adjustment shall be a dispute within the meaning of this Article of the Order entitled "Disputes". Pending such equitable adjustment, Seller shall proceed with the Order as changed.
The Seller shall notify Buyer of changes in product or process definition, changes of suppliers, changes of manufacturing facility location and must obtain approval prior to implementing the change.
8. **SUBCONTRACTS AND SUB-TIER SUPPLIERS** - None of the work required by Buyer to be performed by Seller under this Order shall be subcontracted or assigned without prior written consent of the Buyer. Any assignment of amounts payable under this Order shall be subject to set-off, recoupment or other claim of Buyer against Seller. The Seller must flow down to sub-tier suppliers / subcontractors the applicable requirements in the purchasing documents, including key characteristics as applicable.
9. **RIGHT OF ACCESS** - Right of access by Mathews Associates, Inc., our customer, and regulatory authorities to all facilities involved in the order as well as to all applicable records.
10. **INSPECTIONS** - All material and workmanship entering into performance of this Order may be inspected and tested at all time and places before, during and after manufacture by inspectors designated by Buyer at Buyer's discretion. Seller shall maintain quality control measures and records for all manufacturing processes and documentation (Which shall be available for review by the Buyer), pertaining to quality, testing and inspection, fabrication and delivery. All delivered items are subject to inspection by Buyer after delivery to Buyer and acceptance of conforming items will be made as promptly as practicable thereafter. Acceptance shall be conclusive except as regards latent defects, breach of any warranty, fraud, or such gross mistakes as amount to fraud. Buyer may, in its sole discretion, deal with items not fully complying with applicable drawings, specifications, or other requirements as follows: a return to Seller at Seller's expense, hold at Seller's expense, subject to Seller's dispositions instructions, require Seller promptly to correct in place or to replace the same at Seller's expense (with the right by Buyer to correct, at expense of Seller, any items not promptly corrected); or accept such items at an equitable reduction in price. Failure of the parties to agree on an equitable reduction price shall be a dispute concerning a question of fact within the meaning of the "Disputes" Article set for the in the Order. Seller shall refund any payments made for items not accepted under this clause immediately upon receipt of notice thereof. If items not fully complying with specification requirements are not accepted by the Buyer and the Seller does not replace or correct them, as the case may be, within the delivery schedule, the Buyer may terminate this Order for default as proved in the Article entitled "Default".
11. **BUYER'S PROPERTY** - All unpatented ideas, information, designs, devices, prints, drawings and technical concerning Seller's products, methods, or manufacturing processes which Seller discloses or furnishes to Buyer's in connection with this Order shall, except only to the extent otherwise specifically agreed upon in writing by Buyer and Seller to be deemed to have been disclosed or furnished as part of the consideration for this Order, and Seller agrees not to assert any claims by reason of the use, duplication or disclosure thereof by Buyer and or its successors, assigns or customers.
12. **PATENT INFRINGEMENT** - The Seller warrants that the sale, use or incorporation into manufactured products of all machines, devices and materials furnished hereunder which are part of Buyer's design composition or manufacture shall be free and clear of infringement of any valid US or foreign Letters patent, copyright or trademark. Seller agrees to defend, protect and save harmless Buyer, its successors and assigns, customers and users of its products against all suits at law or in equity and from all damages, claims demands and costs for actual or alleged infringements of any Letters Patent, copyrights or trademarks by reason of the sale of use or the items hereby ordered.

13. **RESPONSIBILITY PROPERTY OF BUYER** - All materials, tool, jigs, fixtures, specifications, methods, processes, date, designs, drawings, and other property furnished or paid for by Buyer, shall be and remain the Buyer's property and Buyer shall have the right to enter Seller's premises and remove all such property at appropriate times, without being guilty of trespass or liable to Seller in damages. Seller shall mark or otherwise identify such property which is not consumed in the performance of the Order as the property of Buyer and the extent practicable mark the same with the corresponding drawing number. Seller shall provide Buyer with inventories of the property as the Buyer may request and certify to Buyer that all use thereof is expended solely on Buyer's order or orders. Seller shall assume the risk of, and be responsible for any loss of such property, or damage thereto and shall maintain and repair the property and return the same to Buyer in good condition, uninsurable, acts of God and reasonable wear and tear excepted and except to the extent that said property is consumed in the performance of this Order. Supplies made in accordance with Buyer's methods, processes, data, designs, information, specifications or drawings shall not be furnished or quoted to any other person or concern without Buyer's writing consent which shall not be unreasonably withheld. Seller shall not use, reproduce, or disclose the contents of any specifications, methods, processes, data, designs, information and drawings delivered by the Buyer hereunder except as is necessary for the performance of this Order. The provisions of this Article 12 shall survive delivery and payment and shall remain in full force until all such property s delivered to the Buyer or otherwise disposed of with Buyer's written consent.
14. **WORK ON BUYER'S OR THIRD PARTY'S PREMISES** - If Seller or any of its agents or subcontractors of this Order enters upon the premises occupied by Buyer or, as agent of Buyer, upon the premises of a third party. Seller shall take all precautions necessary to prevent injury to persons or property. Seller shall indemnify Buyer against all loss on account of claims of injury to persons (including death) or damage to property which may result in anyway from any act commission or omission of Seller, or of its agents, employees or subcontractors while on Buyer's third party premises.
15. **INSURANCE REQUIREMENTS** - Seller shall maintain Public Liability Products and Completed Operations, Property Damage, Employer's Liability and Worker's Compensation and Motor Vehicle Liability (Personal injury and Property Damage) insurance in amounts adequate to protect Seller (or it's subcontractor) and Buyer. Seller will, upon request, provide Buyer with certificate of insurance indicating the amount of such insurance and naming the buyer as an additional insured.
16. **TERMINATION** - Buyer may, at any time prior to the scheduled shipment date, terminate performance of the work under this Order, in whole or in part by written or telegraphic notice, or verbal notice confirmed in writing and Buyer shall have no liability for such order except to reimburse Seller for any specialized material or components purchased by Seller which are specific to such order, and upon payment Buyers shall take title to such materials or components.
17. **DEFAULT** - Time is of the essence.
18. **PRICES AND EXTRA CHARGES** - Seller represents that the price or prices specified in this Order do not exceed its current selling prices for the same or substantially similar articles, whether to the Government or to any other purchaser, adjusted for the quantity involved. Seller agrees that any price reduction made in merchandise covered by the Order subsequent to the placement of the Order will be applicable to the Order. The purchase price stated on the face hereof includes all taxes. All local, State and Federal excise, sales and use taxes when applicable, shall be stated separately on Seller's invoice. No extra charges to packaging, cartage or any other kind will be allowed, unless specifically agreed to by Buyer in writing.
19. **DISPUTES** - In the event of any dispute between Buyer and Seller concerning the performance of either party under this Order, the parties agree to negotiate their difference but the Seller shall, pending during or after negotiations, continue performance in accordance with Buyer's written directions. In the event of any failure to agree within 10 days of written notice by either party to the other to negotiate, either party may pursue any right or remedy it may have at law or in equity in any court of competent jurisdiction.
20. **GENERAL** - This Order (including formation, construction and enforcement thereof) shall in all respects be governed by the laws of Florida, and the parties agree to the exclusive jurisdiction of the courts of the State of Florida, courts therein with respect to any dispute arising hereunder. All warranties and rights of Buyer provided in the Order are in addition of, and not in limitation or exclusion of warranties, remedies and rights provided by the Florida Uniform Commercial Code or otherwise provided by law, or under other provisions of the Order, all of which shall be cumulative and not alternative and not exhausted by any one or more uses thereof. Any amounts chargeable to Seller under the Provisions of this Order may at Buyer's selection the set-off in whole or in part against any sums payable to Seller under this Order or otherwise and any such set-off shall be without prejudice to any claims of Buyer based on such loss, damages, or expenses not reflected on such set-off. The waiver by the buyer of any breach or default shall not be construed as a waiver of any other subsequent breach or default. If any terms or provision hereof, or the application thereof any circumstances shall to any extent be invalid or unenforceable, the remaining terms and provisions and application to other circumstances shall not be affected thereby, and each term and provision shall be valid and enforced to the fullest extent permitted by law.
21. In the event of a partial failure of Seller's sources of supply of the products purchased hereunder, Seller will first meet all of Buyer's requirements hereunder prior to any allocation among customers under section 2-615 of the Uniform Commercial Code.
22. Mathews Associates, Inc. subscribes to, and has a corporate policy, to embrace and implement all requirements of applicable affirmative action and equal employment programs.
23. **SUPPLIER NOTIFICATION OF NONCONFORMING PRODUCT** - Seller is required to notify the Buyer if, at any time after delivery of a product, that product is found to be defective or considered nonconforming to the requirements of the purchase order under which it was purchased / supplied.
24. **COUNTERFEIT PARTS** - Seller shall maintain a program, process or policy that mitigates the risk of using counterfeit parts.
25. **SELLERS EMPLOYEES** - The Seller must provide evidence, when requested of: a) their employees' competence, qualifications or certifications for the operations they perform to supply products or services to MAI, and b) their employees' awareness of their contribution to product or service conformity; their contribution to product safety; and the importance of ethical behavior.

THE REHABILITATION ACT OF 1973 (SECTION 503) RELATING TO EQUAL EMPLOYMENT OPPORTUNITY FOR THE HANDICAPPED APPLICANT OR EMPLOYEE AND THE IMPLEMENTING RULES AND REGULATIONS ARE INCORPORATED HEREIN.