



## TERMS OF PURCHASE

1. **COMPLETE AGREEMENT.** The terms on this document constitute the complete agreement between the Seller and Buyer, and may be modified only by further written agreement of the parties.
2. **PACKING AND SHIPPING.** Seller shall prepare, pack, and protect all goods to ensure safe shipment and safe storage for a reasonable time pending use by Buyer. Goods shall, insofar as practical, be consolidated for shipment to produce the lowest freight charges. Containers shall be consecutively numbered and marked with Buyer's order number (if any) and destination. Two copies of the packing sheet, showing the order number, shall be attached to the number one container of each shipment. Seller shall make no declaration concerning value of goods shipped except at the lowest rating. Bills of lading shall indicate the order and container numbers and shall describe the goods in accordance with the Uniform Freight Classification Rules and Regulations and the carrier tariffs.
3. **INVOICE AND PAYMENT.** A separate invoice shall be issued for each shipment. Unless otherwise specified on this contract, no invoice shall be issued prior to shipment of the goods, and no payment shall be made prior to receipt of both the goods and a correct invoice. Applicable discount periods shall be computed from the date of receipt of the goods and a correct invoice to the date Buyer's check is mailed. Unless freight and other charges are itemized, discount shall be taken on the full amount of the invoice.
4. **INSPECTION.** Seller shall permit Buyer, upon Buyer's request, to inspect all goods at Seller's plant. Notwithstanding any prior inspection, all goods shall be subject to final inspection and acceptance by Buyer at final destination.
5. **CHANGES.** Buyer shall have the right, by giving written notice to Seller, to terminate this contract, or to make changes in quantities, specifications or delivery schedules. An equitable increase or decrease in the purchase price attributable to any such change shall be fixed by negotiation between the parties.
6. **CANCELLATION.** Buyer shall have the right to cancel this contract, or any portion hereof, if Seller fails to deliver the goods exactly when and as specified, or ceases to conduct its operations in the normal course of business, or makes any assignment for the benefit of its creditors, or is the subject of a voluntary or involuntary proceeding in bankruptcy or insolvency. Seller shall have the right to cancel this contract or to withhold shipment of goods only if Buyer is forty-five (45) days or more in arrears in payment of an undisputed invoice, or makes any assignment for the benefit of its creditors, or is the subject of voluntary or involuntary proceeding in bankruptcy or insolvency.
7. **QUALITY.** All goods delivered under this contract shall conform strictly to the descriptions, specifications and other terms of quality incorporated herein, and shall be free from defects in material, workmanship and design.
8. **INDEMNITY AND INSURANCE.** Seller and Buyer shall each indemnify and defend the other for and against all losses, damages, liabilities, claims and expenses, suffered or incurred or asserted in whole or in part because of the acts or omissions of the other, or of its employees, agents or contractors. Upon request, Buyer and Seller shall provide each other with an insurance certificate showing adequate worker's compensation and showing that the above risks are insured against in amounts and with insurers reasonably acceptable.
9. **PATENT INDEMNITY.** Seller shall defend Buyer against all claims and proceedings alleging infringement of any patent by any goods delivered under this contract, and Seller shall indemnify Buyer for all losses, damages, and expenses, incurred or resulting from such claims and proceedings.
10. **COMPLIANCE WITH LAWS.** Seller shall comply in the performance of this contract with all federal, state and local laws and ordinances, and all orders, rules and regulations thereunder, which are applicable to the Seller in the performance of this order or to the goods produced hereunder, including, without limitation, the following: the Fair Labor Standards Act, as amended; the Contract Work Hours and Safety Standards Act, as amended; the Occupational Safety and Health Act, as amended; Executive Order 11246; Executive Order 11625; the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans Readjustment of Assistance Act of 1974, as amended; the Clean Air Act, as amended; the Federal Water Pollution Control Act, as amended; the Federal Food, Drug and Cosmetic Act, as amended; the



Federal Consumer Products Safety Act, as amended; the Federal Hazardous Substances Act, as amended; the Toxic Substances Control Act, as amended; and the Federal Fair Packaging and Labeling Act, as amended. Seller shall submit to Buyer such written certificates, guarantees, and other assurances as Buyer may request, in such forms as Buyer may request, confirming Seller's compliance with any such laws, ordinances, orders, rules and regulations.

11. **NOTICE OF LABOR DISPUTE.** Seller shall promptly notify Buyer of any actual or potential labor dispute known to Seller, which may delay the performance of this contract, and Seller shall require any subcontractor of Seller to notify Seller of any such actual or potential labor dispute.
12. **WAIVER.** The right of Buyer to require strict performance of this contract shall not be affected by any prior waiver or course of performance.
13. **ASSIGNMENT.** Seller shall not assign any right or delegate any duty under this contract without the written consent of Buyer.
14. **APPLICABLE LAW.** This contract incorporates and shall be governed by the Uniform Commercial Code, including without limitation its provisions, on Seller's warranties and Buyer's obligations to make timely payment. The place of performance of Buyer's obligations shall be Seller's premises, and the place of performance of Seller's obligations shall be Buyer's premises.
15. **RETURN.** Buyer may return any unopened material purchased within one year of vendor invoice date for full credit. Buyer to pay freight of material returned.
16. **SUPPLEMENTAL TERMS.** The supplemental terms attached hereto, if any, shall constitute a part of this contract.

#### SUPPLEMENTAL TERMS

1. [Quality Assurance Supplemental Requirements Supporting Compliance to AS 9100D Requirements](#)