

## ORDER ACKNOWLEDGEMENT TERMS

1. PRICES DO NOT INCLUDE ANY SO-CALLED "SALES TAXES" OR ANY TAXES BASED ON "PRICE", IN TERRITORIES WHERE ANY OF THESE APPLY. THE PROPER AMOUNTS WILL BE ADDED, IF ORDER IS SUBJECT TO SUCH TAX. IF ORDER IS ENTITLED TO TAX EXEMPTION, YOU SHALL SEND US SUITABLE EXEMPTION CERTIFICATES.
2. SELLER WARRANTS THAT THE PRODUCTS MANUFACTURED BY SELLER SHALL BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP FURNISHED BY SELLER AND USED IN THE FABRICATION THEREOF. THE EXTENT OF SELLER'S LIABILITY UNDER THE FOREGOING WARRANTY SHALL BE THE REPLACEMENT, WITH A SIMILAR ITEM FREE FROM THE DEFECT IN QUESTION, OF ANY PRODUCT MANUFACTURED AND FURNISHED BY SELLER WHICH IS DEFECTIVE IN EITHER OF THE FOREGOING RESPECTS, PROVIDED THAT SUCH DEFECTIVE PRODUCT SHALL BE RETURNED BY BUYER TO SELLER WITHIN NINETY (90) DAYS FROM DATE OF SHIPMENT OF SUCH PRODUCT TO BUYER. ALL CLAIMS SHALL BE IN WRITING AND A RETURN MATERIAL AUTHORIZATION MUST BE ISSUED BY SELLER TO BUYER PRIOR TO RETURN ACCEPTANCE. THE FOREGOING EXPRESS WARRANTY AND THE OBLIGATIONS AND LIABILITIES OF THE SELLER THEREUNDER ARE MADE IN LIEU OF AND BUYER HEREBY WAIVES ALL OTHER WARRANTIES, GUARANTIES, CONDITIONS OR LIABILITIES EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY OBLIGATION OF SELLER WITH RESPECT TO CONSEQUENTIAL DAMAGES, AND WHETHER OR NOT OCCASIONED BY SELLER'S NEGLIGENCE OR OTHERWISE AND SELLER WILL NOT BE RESPONSIBLE OR LIABLE TO BUYER IN ANY RESPECT WHATSOEVER FOR ANY LOSS OR DAMAGE RESULTING FROM BUYER'S USE OF SAID PRODUCTS.
3. THE PRICES SET FORTH HEREIN ARE TO BE INCREASED BY THE AGGREGATE AMOUNT OF ANY AND ALL TAXES OR CHARGES NOW OR HEREAFTER IMPOSED BY ANY GOVERNMENTAL AUTHORITY AND REQUIRED TO BE PAID BY US ON THE PRODUCTS OR SERVICES COVERED BY THIS ORDER OR ON THE PRODUCTION, PROCESSING, SALE, DELIVERY OR USE OF SUCH PRODUCTS, AND BY THE AGGREGATE AMOUNT OF ANY AND ALL INCREASED COSTS DUE TO ANY TAX OR CHARGE, LAW, ORDER OR REGULATION LEVIED, ENACTED, ISSUED OR PROMULGATED BY ANY GOVERNMENTAL AUTHORITY AFTER THE DATE OF THIS ORDER.
4. WE SHALL NOT BE LIABLE FOR ANY DELAY IN DELIVERY OR PERFORMANCE OR FAILURE TO DELIVER OR PERFORM, DUE TO STRIKE, FIRE, EXPLOSION, ACCIDENT, FLOOD, STORM, SABOTAGE, RIOT, CIVIL COMMOTION, INSURRECTION, REBELLION, WAR, OR THE CONSEQUENCE OF ANY OF THE FOREGOING, OR DUE TO ANY CAUSE WHICH IS UNAVOIDABLE OR NOT REASONABLY WITHIN OUR CONTROL, OR DUE TO ANY INABILITY TO OBTAIN OR TRANSPORT, OR DELAY IN OBTAINING OR TRANSPORTING MATERIAL OR EQUIPMENT OR PRODUCTS OR DUE TO ANY ORDER, REQUIREMENT, PRIORITY OR REFERENCE RATING MADE OR ISSUED BY ANY GOVERNMENT AUTHORITY OR TO OUR COMPLIANCE THEREWITH, OR DUE TO LIMITATIONS IMPOSED BY THE EXTENT OR AVAILABILITY OF OUR NORMAL MANUFACTURING FACILITIES.
5. TERMINATION FOR CONVENIENCE – BUYER MAY TERMINATE THIS PURCHASE ORDER FOR ITS CONVENIENCE 30 DAYS PRIOR TO SELLERS SCHEDULED SHIP DATE IN WHOLE OR IN PART AS TO UNDELIVERED PRODUCTS, IN WHICH EVERY BUYER AND SELLER WILL NEGOTIATE AN EQUITABLE SETTLEMENT PAYMENT FOR THE TERMINATED PORTION CONSISTING OF SELLER'S COSTS TO DATE OF TERMINATION PLUS A REASONABLE PROFIT THEREON, LESS ANY VALUE HEREOF TO SELLER, BUT IN NO EVENT SHALL SUCH PAYMENT EXCEED THE AMOUNT WHICH WOULD HAVE BEEN PAYABLE HEREUNDER FOR SUCH TERMINATED PORTION, IF THIS ORDER HAD NOT BEEN SO TERMINATED. BUYER SHALL HAVE THE RIGHT TO ACQUIRE ANY INVENTORY RELATING TO THIS ORDER IN THE HANDS OF SELLER AT THE TIME OF TERMINATION. IF THIS HAS BEEN ISSUED UNDER A GOVERNMENT CONTRACT, THE "TERMINATION" CLAUSE FOR FIXED PRICE CONTRACTS CONTAINED IN SECTION 8-706 UNDER THE ARMED SERVICES PROCUREMENT REGULATIONS SHALL BE APPLICABLE TO ANY TERMINATION OF THE ORDER UNDER THIS CLAUSE.
6. ANY CONTRACT OR ORDER PLACED WITH US FOR PRODUCTS OR SERVICES, AND EACH DELIVERY UNDER ANY SUCH CONTRACT OR ORDER SHALL BE SUBJECT TO THE APPROVAL OF OUR CREDIT DEPARTMENT.
7. NOT WITHSTANDING ANY CLAUSE IN YOUR ORDER, WE WILL PERMIT EXAMINATION OF RECORDS ONLY (A) BY THE COMPTROLLER OF THE UNITED STATES OR HIS DULY AUTHORIZED REPRESENTATIVE PER ASPR7-104.15, AND (B) PURSUANT TO THE REQUIREMENTS OF EXECUTIVE ORDER NO. 10925.
8. THE TERMS AND CONDITIONS OF THIS ACKNOWLEDGMENT SHALL SUPERCEDE AND SHALL CONTROL OVER ANY TERMS AND CONDITIONS OF THE PURCHASE ORDER(S) WHICH IS SO ACKNOWLEDGED.