

Electro Chemical



Finishing

Supplier

Terms and Conditions

TERMS AND CONDITIONS - PURCHASE ORDER

Electro Chemical Finishing Co. ("Buyer") agrees to purchase product, work, and/or material from you ("Seller") on and subject to the terms and conditions set forth herein.

2. ACCEPTANCE

THIS PURCHASE ORDER IS CONDITIONALLY MADE AND MAY BE ACCEPTED ONLY IN STRICT ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS PURCHASE ORDER. NO DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS INCLUDED IN ANY ACCEPTANCE SHALL BE VALID. NONE OF THE TERMS AND CONDITIONS CONTAINED IN THIS PURCHASE ORDER MAY BE ADDED TO, MODIFIED, SUPERSEDED OR OTHERWISE ALTERED UNLESS CONSENTED TO IN WRITING BY BUYER. EACH SHIPMENT RECEIVED BY BUYER FROM SELLER SHALL BE DEEMED TO BE ONLY UPON THE TERMS AND CONDITIONS THAT MAY BE CONTAINED IN THIS PURCHASE ORDER, NOTWITHSTANDING ANY TERMS AND CONDITIONS THAT MAY BE CONTAINED IN ANY OF SELLER'S FORMS OR CORRESPONDENCE. THIS AGREEMENT SHALL SERVE AS BUYER'S WRITTEN OBJECTION TO ANY ADDITIONAL TERMS NOT STATED IN THIS PURCHASE ORDER. SELLER'S DELIVERY OF GOODS OR ANY OTHER ACTS OF ACCEPTANCE SHALL BE CONSTRUED AS A WAIVER OF ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY SELLER.

3. CHANGES

The Purchase Order constitutes the entire contract between Buyer and Seller with respect to the product, work and/or material specified in the Purchase Order. Verbal instructions or agreements relative to or altering the Purchase Order in any way will not be recognized, and no changes shall be made except in writing signed and dated by both Buyer and Seller. Any changes so agreed upon which cause an increase in the amount of product or material to be supplied by Seller, an increase in the amount of work to be performed by Seller, and/or an increase in the time required for performance may result in an increase in the price quoted by Seller, but Buyer shall not be responsible for such price increase unless such change is agreed to in a writing signed and dated by the parties in advance of instituting any such change in price.

4. PACKING AND SHIPMENT

Seller will make no additional charges for boxing, crating, insurance or storage and will prepay all transportation charges. All packing shall be done in such a manner as to protect the contents from weather and transportation hazards, and in accordance with requirements of common carriers. Prices shown on the face of the Purchase Order are deemed to be F.O.B. Buyer's facilities or other location specified by Buyer. Buyer's Purchase Order number and symbols, if any, must be plainly marked on all invoices, containers, bills of lading and shipping orders. A packing list shall accompany each shipment showing Buyer's Purchase Order number, item number and description. All shipping documents shall be forwarded to Buyer on the day shipment is made. Buyer has the option to accept or reject excess or short shipment with an appropriate adjustment in price; transportation charges for rejected shipments will be at Seller's expense. In the event Seller ships in advance of specified time, any additional expense incurred by Buyer for extra handling, protection, storage, etc., will be deducted from Seller's invoice at time of payment. Seller shall bear all risk of loss until delivery to Buyer.

5. DELAYS

Buyer shall be excused from liability for failure to accept deliveries pursuant to this Purchase Order when such failure is due to causes beyond the control and without the fault or negligence of Buyer. Such causes include, but are not limited to, acts of God or the public enemy, acts of government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any such causes. In the event of a failure by Seller to perform, Buyer shall be entitled to cancel this Purchase Order and obtain supplies or services covered by this Purchase Order elsewhere.

6. INSPECTION

All items ordered under this Purchase Order are subject to final inspection and approval at destination; Buyer will have all privileges of return at Seller's expense if goods are defective in workmanship or materials or if not in compliance with Buyer's specifications, as stated in this Purchase Order. Payment of Seller's invoice shall not be construed as acceptance of merchandise. Subsequent discovered shortages or deficiencies in quality or functional performance will entitle Buyer to revoke acceptance and claim appropriate credit by Seller, and rejected items may be returned to Seller at Seller's risk and expense of repacking and transportation.

7. WARRANTY

Seller warrants that all material and work covered by this Purchase Order will conform to the specifications, drawings, symbols or other description furnished or specified by Buyer, and will be of merchantable quality of good material and workmanship, and free from defects in design, workmanship and materials. Seller further warrants that all material covered by this Purchase Order, which is a product of Seller or is in accordance with Seller's specifications or design, shall be fit and sufficient for the purposes intended. The warranties and remedies provided for in this Purchase Order shall be in addition to those implied by law and shall exist notwithstanding the acceptance by Buyer of all or part of the supplies with respect to which such warranties and remedies are applicable. All warranties shall run to Buyer, its successors, assigns and customers, and to the users of its products. These warranties shall be in addition to and shall not limit any remedies or warranties provided by contract or law. Any attempt by Seller to limit, disclaim or restrict any such warranties or remedies of Buyer in accepting or performing this Purchase Order shall be void without Buyer's written consent.

8. PATENTS

Seller agrees to defend, protect and save Buyer harmless, and its successors, customers and users of its product, against every suit for alleged infringement of Letters Patent by reason of the sale or use of articles, material and/or apparatus ordered, to pay all costs, including actual attorney fees, damages and profits recoverable therefrom. Seller agrees to disclose and, on request, assign to Buyer, or such other party as Buyer may direct, any invention, improvement or discovery conceived or reduced to practice arising from designs, tools, patterns, drawings or any other information supplied by Buyer pertaining to articles developed especially for Buyer and converted by this Purchase Order.

9. ASSIGNMENT AND SUBCONTRACTING

Seller shall not assign this Purchase Order or money due or to become due under this Purchase Order as security or for any financing purposes whatsoever. Seller shall not subcontract for the procurement of any item covered by this Purchase Order without the prior written approval of the Buyer.

10. BREACH AND BUYER'S REMEDIES

In the event Seller breaches any of the terms and conditions of this Purchase Order, including any breach of warranties given under this Purchase Order or implied or imposed by law, Buyer shall have all the rights and remedies provided to a buyer by the Uniform Commercial Code, as adopted by the State of Michigan, including the right to recover any incidental, consequential, special or indirect damages, including, without limitation, lost profits and damages for business interruption, anticipatory or otherwise, resulting from said breach(es). In addition, Buyer reserves the right to cancel, without expense to itself, all or any part of the undelivered portion of this Purchase Order if the delivered portion of this Purchase Order fails to meet Buyer's delivery or quality requirements or if it shall reasonably appear to Buyer that Seller is failing to make adequate progress on this Purchase Order and such lack of progress will endanger the performance of other work of Buyer, or if Seller breaches any of the terms of this Purchase Order, including any warranties, express or implied or imposed by law, of Seller. Buyer shall also have the right to terminate this Purchase Order, or any part of this Purchase Order, in the event of bankruptcy or insolvency of Seller, appointment of a receiver or trustee, or any assignment for the benefit of creditors of Seller.

11. NOTICE OF LABOR DISPUTE

Whenever any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice of the delay, including all relevant information with respect to the delay, to Buyer. Seller agrees to insert the substance of this clause, including this sentence, in any subcontract (including purchase orders) permitted under this Purchase Order as to which a labor dispute may delay the timely performance of this Purchase Order.

12. CONSTRUCTION OF PURCHASE ORDER CONTRACT

This Purchase Order shall, for all purposes, be deemed to have been executed in the corporate headquarters of Buyer in Grand Rapids, Michigan. The resulting contract shall be construed according to the laws of the State of Michigan. Buyer and Seller agree that the state courts of Michigan shall have sole and exclusive jurisdiction, and Kent County shall be the proper venue, of any claim or controversy regarding this Purchase Order or its subject matter, including without limitation, claims for breach of contract, breach of warranty, statutory violation, negligence, or tort. Buyer and Seller irrevocably waive any right they may have to attack such jurisdiction or seek the removal or transfer of any litigation from the state courts of Michigan to the federal courts located in Michigan or elsewhere. All rights and remedies of Buyer as specified in this Purchase Order shall be cumulative and additional to any other further remedies provided in law or equity. Further, Buyer shall be entitled at all times to set off any amount owing at any time from Buyer to Seller or to any of Buyer's affiliated companies against any amount payable at any time by Buyer in connection with this Purchase Order. The failure of Buyer to enforce at any time any of the provisions of this Purchase Order or to exercise any option provided in this Purchase Order or to require at any time performance by Seller of any of the provisions of this Purchase Order shall not in any way be construed to be a waiver of any provisions nor in any way to affect the validity of this Purchase Order, or any part of this Purchase Order, or the right of Buyer thereafter to enforce each and every such provision.

13. COMPLIANCE WITH GOVERNMENT LAW

In the performance of work covered by this Purchase Order, Seller agrees to comply with the Fair Labor Standards Act of 1938, as amended, the Walsh-Healy Act and all other applicable federal, state and local laws, rules and regulations, including, but not limited to, minimum wages and maximum hours, civil rights, executive orders, and occupational safety and health laws, rules and regulations, as they may be amended from time to time. All invoices from Seller shall include the following certification: "Seller represents that it has complied with the Fair Labor Standards Act of 1938, as amended, in producing the supplies or performing the services covered by this invoice."

14. PRICES

Seller represents that the price or prices specified in this Purchase Order do not exceed Seller's current selling prices for same or substantially similar items whether to governmental agencies or any other purchaser. Seller further agrees that it will reduce, proportionately, its quoted prices to Buyer if there shall be a general reduction, before delivery, of similar items to the trade. In the event any governmental price controls are imposed which are applicable to this Purchase Order, Seller agrees to comply with those price controls.

15. TAXES

Unless otherwise specified, Michigan Use Tax, where applicable, will be assessed to and paid by Buyer and should not be billed by Seller to Buyer.

16. INDEMNIFICATION

Seller shall, upon demand, fully indemnify and hold Buyer harmless from any and all losses, costs, damages, expenses, penalties, fines, settlement and/or compromise payments, including, but not limited to, Buyer's reasonable attorneys fees (through all appellate and enforcement or collection proceedings), occasioned by or resulting from the breach or nonperformance of any agreement, covenant, representation or warranty, express or implied, of Seller. This indemnification includes, but is not limited to, claims asserted against Seller by employees, agents and subcontractors of Buyer or subsequent buyers or users of the services performed or items sold under this Purchase

Order. Seller agrees that it has, and will maintain, adequate products liability insurance and will permit Buyer to review the same from time to time, upon reasonable demand.

17. SELLER'S REMEDIES AND LIMITATIONS THEREOF

If Buyer wrongfully rejects or revokes acceptance of goods or fails to make a payment due on or before delivery or repudiates with respect to a part or the whole, or breaches this Purchase Order in any other respect, then Seller's exclusive remedy against Buyer is limited to recovery of the price of goods already delivered or resale of the goods directly affected in a commercially reasonable manner and recovery of the differences between the contract price and the resale price, if any, less any expenses saved in consequence of Buyer's breach. Any recovery by Seller under this Purchase Order is strictly limited by and shall not exceed the price set forth in this Purchase Order. In any event, Buyer shall not be liable to Seller for any consequential, indirect, incidental or special damages, including any profits lost by Seller or any of Seller's suppliers.

18. BUYER'S RIGHT OF CANCELLATION

Buyer reserves the right to cancel all or any part of this Purchase Order at any time for any reason upon giving notice to Seller. Cancellation settlement charges shall not exceed reimbursement of actual costs incurred by Seller, with due allowance for salvage value or alternate usage, and provided Buyer has an opportunity to recommend disposition and audit said costs.

19. ENTIRE AGREEMENT

This Purchase Order sets forth the entire agreement between the parties and supersedes all prior written or oral understandings, agreements and proposals.