

TERMS AND CONDITIONS OF CONTRACT FOR PURCHASE

1. **OFFER AND ACCEPTANCE** - This purchase order is an offer by purchaser to seller and is not an acceptance of any prior offer made to purchaser by seller. Acceptance of this offer is expressly limited to its terms. DO NOT SHIP the goods herein ordered unless you intend to be bound by the terms and conditions of this offer, as shipment by seller of the goods ordered shall constitute acceptance of this offer to purchase. Upon acceptance by seller, this purchase order shall be the final written expression of agreement between seller and purchaser, constituting the entire contract between purchaser and seller and superseding all previous communications, either verbal or written. Terms and conditions of seller's business forms inconsistent with the terms and conditions of this offer shall not become part of any resulting contract.
2. **WARRANTY** - Seller expressly warrants that all materials supplied pursuant to any resulting contract will conform to specifications and shall be of good workmanship, free from all defects, merchantable and fit for the purpose intended. Actual chemistry certification required with shipment. Invoices will not be authorized for payment without proper certification. SPC dimensional data must be available upon request.
3. **REMEDIES; INDEMNITY; DAMAGES** - SELLER AGREES TO DEFEND, PROTECT INDEMNIFY AND HOLD PURCHASER, ITS SUCCESSORS, ASSIGNS, CUSTOMERS, AND ALL SUBSEQUENT USERS OF THE MATERIAL SOLD HEREUNDER HARMLESS OF, FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES, DAMAGES AND LIABILITIES, DIRECT, INCIDENTAL OR CONSEQUENTIAL, ARISING FROM DAMAGE TO OR LOSS OF PROPERTY AND INJURY OR DEATH TO PERSONS, INCLUDING LOSS OF PROFITS AND REASONABLE COUNSEL FEES, WHICH MAY ARISE OUT OF THE USE OR ALLEGED USE OF SUCH MATERIAL, THIS TO INCLUDE, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, PAYMENTS UNDER ANY WORKMEN'S COMPENSATION LAW AND UNDER ANY PLAN FOR EMPLOYEES' DISABILITY AND DEATH BENEFITS.
4. **DELIVERY** - Time of delivery is of the essence of any resulting contract. If delivery is not made within the time specified, purchaser may purchase elsewhere and charge seller any difference in price or purchaser may cancel the entire order or any undelivered portion thereof. 100% on time delivery is required per QS-9000.
5. **PAYMENT** - Payment will be made following receipt and acceptance of the goods and receipt, in proper form and substance, of all documentation required by the Purchase Order. Seller shall furnish to Buyer any analysis or breakdown of the price as Buyer may reasonably request. This Purchase Order shall not be filled at prices higher than last quoted or charged by Seller, except as expressly agreed by Buyer. As a condition to any payment hereunder, Seller shall furnish to Buyer, upon request, an executed waiver of liens and claims in form reasonably satisfactory to Buyer. Seller agrees to indemnify, defend and hold harmless Buyer from and against any and all liens and encumbrances arising out of Seller's performance of this Purchase Order of rising out of any claim for payment by any laborer, subcontractor or supplier of Seller.
6. **CHANGES** - Purchaser reserves the right, by written change notices and without notice to sureties, to make changes in or additions to drawings, specifications or instructions for the work covered by this order, and seller agrees to comply with such change notices. If such changes cause a material increase or decrease in seller's cost or in the time for performance of this order, equitable adjustment in the price and time for performance will be made and this order will be modified in writing accordingly; provided, that any claim for adjustment must be asserted by seller within 20 days after the change is ordered.
7. **CANCELLATION** - Purchaser reserves the right to terminate this order in whole or in part.
 - (a) upon any default on the part of seller not corrected within ten days after written notice thereof given to seller, or
 - (b) at purchaser's discretion upon written notice to seller and reimbursement of seller's reasonable costs.
8. **PURCHASER-FURNISHED PROPERTY** - Where property such as, but not limited to, tools, equipment and raw materials used in the manufacture of goods for purchaser are supplied by purchaser to seller or are specifically paid for by purchaser, title thereto shall at all times be and remain with purchaser. Such property shall be inspected and maintained by seller at its own expense and returned as directed by purchaser, f.o.b. seller's plant, to destinations designated by purchaser. Risk of loss or damage to such property shall be assumed by seller while the same is in its possession. SELLER AGREES TO DEFEND, PROTECT, INDEMNIFY AND HOLD PURCHASER, ITS SUCCESSOR AND ASSIGNS HARMLESS OF, FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES, DAMAGES AND LIABILITIES, DIRECT, INCIDENTAL OR CONSEQUENTIAL, ARISING FROM DAMAGE TO OR LOSS OF PROPERTY OR INJURY TO OR DEATH OF PERSONS, ARISING FROM OR INCIDENTAL TO THE PRESENCE OR USE OF SUCH PROPERTY, AND WILL, AT THE PURCHASER'S REQUEST, FURNISH CERTIFICATES INDICATING THAT SUCH RISKS ARE PROPERLY COVERED BY INSURANCE POLICIES SATISFACTORY TO PURCHASER IN WHICH PURCHASER IS NAMED AS AN INSURED PARTY.
9. **CONTRACTS INVOLVING PERFORMANCE OF LABOR ON PURCHASER'S PREMISES** - Where seller is required to enter premises occupied by or under purchaser's control to perform services or otherwise seller will inspect the premises involved, will provide all necessary safeguards for persons it brings onto the premises, WILL DEFEND, PROTECT, INDEMNIFY AND HOLD PURCHASER AND ITS SUCCESSORS, ASSIGNS AND EMPLOYEES HARMLESS OF, FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES, DAMAGES AND LIABILITIES, DIRECT, INCIDENTAL OR CONSEQUENTIAL, ARISING FROM DAMAGE TO OR LOSS OF PROPERTY BY SELLER, ITS EMPLOYEES OR OTHERS, OR FROM PERSONAL INJURIES OR DEATH TO SELLER, ITS EMPLOYEES OR OTHERS, RESULTING FROM OR INCIDENTAL TO THE PRESENCE OF SUCH PERSONS ON THE PREMISES INVOLVED, WHETHER THE SAME RESULTS IN WHOLE OR IN PART FROM PURCHASER'S NEGLIGENCE OR OTHER FAULT, BY ACT OR OMISSION, OR THAT OF PURCHASER'S EMPLOYEES, OR OTHERWISE, IT BEING THE INTENT OF THIS PROVISION TO ABSOLVE AND PROTECT PURCHASER AND ITS SUCCESSORS, ASSIGNS AND EMPLOYEES FROM ANY AND ALL LOSS BY REASON OF THE PREMISES; and seller agrees that it will maintain public liability and property damage insurance in reasonable amounts specified by purchaser and naming purchaser as an insured party, if so requested, covering the obligations set forth above and will at purchaser's request furnish to purchaser certificates indicating such coverage and will maintain workmen's compensation insurance covering all employees performing services related to this order on premises occupied by or under purchaser's control.
10. **PATENTS AND COPYRIGHTS** - SELLER AGREES TO INDEMNIFY AND TO HOLD PURCHASER, ITS OFFIDERS, AGENTS, EMPLOYEES, AND VENDEES (MEDIATE AND IMMEDIATE) HARMLESS FROM ANY AND ALL LOSS, EXPENSE, DAMAGE, LIABILITY, CLAIMS OR DEMANDS, EITHER AT LAW OR IN EQUITY, FOR ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT, INVENTION, DESIGN, TRADEMARK, OR COPYRIGHT ARISING FROM THE PURCHASES, USE OR SALE OF MATERIALS OR ARTICLES REQUIRED BY THIS PURCHASE ORDER EXCEPT WHERE SUCH INFRINGEMENT OR ALLEGED INFRINGEMENT ARISES BY REASON OF PURCHASER'S DESIGNS FOR SUCH MATERIALS OR ARTICLES FURNISHED BY PURCHASER TO SELLER.
11. **DEFINITIONS** - The terms "seller" as used herein also includes subcontracts, independent contractors and all classes or persons performing any type of work in connection with this purchase order.
12. **GOVERNING LAW** - This Purchase Order shall be governed by the laws of the state from which Buyer issues this Purchase Order, without giving effect to its principles of conflicts of law.
13. **EMPLOYMENT STANDARDS** - Seller and Seller's subcontractors shall comply with all applicable federal, state, and local laws, rules and regulations governing labor or employee relations including Sections 6, 7, 12, and 14 of the Fair Labor Standards Act as amended.
14. **EQUAL EMPLOYMENT; AFFIRMATIVE ACTION; NONDISCRIMINATION** - The seller agrees to be subject to all applicable contract clauses required by federal, state or local law, rule, or regulation to be included in this contract, including but not limited to the following clauses, which are incorporated by reference herein; Equal Opportunity Clause (41 CFR 60-1.4); Affirmative Action Clause for Disabled Veterans and Veterans of the Vietnam Era (41 CFR 60-250.4); Affirmative Action Clause for Handicapped Workers (41 CFR 60-741.4); the Certification of Non-segregated Facilities Clause (41 CFR 60-1.8; 41 CFR 1-12.803-10); and the Nondiscrimination Clause (16 Pa. Code 49.101). In addition, the seller agrees and certifies, if applicable, that it has developed a written affirmative action compliance program (41 CFR 60-1.40 (a)) and annually files Standard Form 100 (EEO-1) (41 CFR 60-1.7 (a)).
15. **GENERAL** - This order may not be assigned or portions sub-contracted by seller without purchaser's written approval. Seller will hold in strict confidence all business secrets communication to it by purchaser. Charges for packing or crafting not allowed unless specifically arranged for. "Any sorting required by AMG due to #3 Remedies; Indemnity; Damages will be charges back to seller at seventy five dollars (\$75.00) per hour or at the rate charged to purchaser by its successors, assigns, customers and all subsequent users of the material sold."
16. **GOVERNMENT CONTRACT PROVISIONS** - All or part of the material or services to be furnished pursuant to this order may be used directly or indirectly in the performance of a U.S. Government Contract Accordingly, to the extent so used, the following additional provisions shall apply.
 - (a) Inspection - Materials to be used in the performance of Government contracts may be inspected and tested at all reasonable times and places either before, during or after manufacture by the Purchaser of by the Government Agency concerned at Purchaser's discretion. If inspection and test are made on the premises of Seller, Seller must furnish without additional charge, all reasonable facilities and assistance for the safe and convenient inspection and test required by the inspectors in the performance of their duty.
 - (b) Equal Employment - The Seller shall comply with the Presidential Executive Order 11246 dated September 25, 1965 as amended.
 - (c) Provisions as set forth in the Armed Services Procurement Regulations as in effect at the date of this order shall be applicable to this order.
17. **GOVERNMENTAL AND SAFETY CONSTRAINTS** - All materials must satisfy governmental and safety constraints on restricted, toxic and hazardous material as well as environmental, electrical and electromagnetic considerations.
18.
 - (a) AMG Verification at Subcontractor's Premises: Where AMG proposes to verify purchased product at the subcontractor's premises, AMG shall specify verification arrangement and the method of product release in the purchasing documents.
 - (b) Customer Verification of Subcontracted Product: Where specified in the contract, AMG's customer or the customer's representative shall be afforded the right to verify at the subcontractor's premises and AMG's premises that subcontracted product conforms to specified requirements.