Standard Purchase Order Terms and Conditions

1. PURCHASE ORDER AND MODIFICATIONS: The agreement between Buyer and Supplier with respect to the purchase of materials, services, goods or articles described on the face of the Purchase Order (collectively, the "articles") shall consist of the terms appearing on the face of the Purchase Order and the terms set forth herein (collectively, the "Purchase Terms"). The Purchase Terms may not be added to, deleted or modified without Buyer's written consent. Any proposal for additional or different terms, whether or not material, and any attempt by Supplier to add to or vary any of the Purchase Terms in any respect, is hereby objected to and rejected. No such proposal shall operate as a rejection of the Purchase Order unless such proposal modifies the description, quantity, price or delivery schedule of the articles, but the Purchase Order shall be deemed accepted by Supplier without the additional or different terms. Any prior course of dealing, trade usage, or oral agreement not reduced to a writing signed by Buyer will not be binding on Buyer to the extent it modifies, adds to or detracts from the Purchase Terms. Supplier shall be bound by all of the Purchase Terms upon the happening of any of the following events: (a) Buyer's receipt of the acknowledgement copy of the Purchase Order signed by Supplier, (b) Buyer's receipt of notification from Supplier that Supplier has commenced performance under the Purchase Order or Buyer's receipt of any other indication from Supplier that Supplier has accepted the Purchase Order, or (c) shipment or delivery to Buyer of any of the articles described on the Purchase Order.

2. SHIPPING INSTRUCTIONS: On date of shipment, Supplier shall send the original bill of lading, air bill or express receipt reflecting the Purchase Order number to Buyer's Traffic Department. Supplier shall not deliver articles ahead of schedule unless written authorization is received from Buyer. Supplier shall describe shipments in accordance with the carrier's tariffs to obtain the lowest freight rate. Supplier shall not insure or declare value on shipments beyond F.O.B. point. When a shipment is subject to freight rates dependent upon value, Supplier shall annotate the bill of lading, air bill or express receipt to show that the shipment is released at the maximum value which applies to the lowest rate provided in applicable tariffs. Supplier shall consolidate all shipments to be forwarded in one day. Articles furnished in excess of the quantity specified will be retained by Buyer at no additional cost, unless Supplier notifies Buyer within thirty (30) days after shipment that it desires the return thereof. Supplier will reimburse Buyer for the full cost of returning such over-shipment or a minimum charge of $50, whichever is higher. No notification will be given to Supplier of any over shipment. Supplier shall mail original and two duplicate invoices to Buyer's Accounting Department when articles are shipped. *Supplier shall state shipping point on all invoices.* Each case or parcel and accompanying packing list of contents must show Buyer's Purchase Order number. Supplier shall label all packages according to Buyer's bar coding requirements. If no packing list accompanies the shipment, Buyer's count will be conclusive to Supplier.

3. TRUCKING AND EXTRAS: No charges will be allowed for transportation, packaging or packing returnable containers unless stated in the Purchase Order. All shipments (a) must be packaged and conform with Buyer's packaging specification

referred to in the Purchase Order, if any, to permit efficient handling and provide protection in shipment and, if tendered to a common carrier, for delivery, and (b) must conform to the packaging requirements applicable to such carrier. Damage to any articles resulting from improper packaging will be charged to Supplier.

4. SPECIFICATIONS: All articles ordered to U.S. Government's or Buyer's specifications will comply with such specifications in effect as of the date of the Purchase Order unless otherwise specified in writing by Buyer.

5. WARRANTY: In addition to Supplier's customary warranties and any other warranties contained in the Purchase Terms or implied in fact or by law, Supplier warrants that the articles furnished to Buyer will conform to all specifications, drawings, samples or other descriptions furnished or specified by Buyer and will be new, merchantable, of high quality and free from defects in design, material and workmanship. Supplier warrants that all such articles will conform to any statements made on the containers, labels or advertisements for such articles, and be adequately contained, packaged, marked and labeled. If Supplier knows or has reason to know the particular purpose for which Buyer intends to use the articles, Supplier warrants that such articles will be fit for such particular purpose. Supplier warrants that the articles will confirm in all respects to samples. In addition, Supplier warrants that it will comply with all applicable laws, rules and regulations of any governmental authority covering the production, sales or delivery of the articles. Inspection, test, acceptance or use of the articles shall not affect Supplier's obligation under this warranty. All warranties shall survive inspection, test, acceptance, use and payment, and shall be for the benefit of Buyer and its successors, assigns and customers and for the benefit of users of the articles and any end products sold by Buyer that incorporate the articles as a component or part thereof. Supplier's warranties shall not be limited in any way by Buyer's extension of any express or implied warranties to its successors, assigns, and customers or to users of the articles and any end products sold by Buyer that incorporate such articles as a component or part thereof. The rights and remedies stated in this paragraph shall be in addition to, and not in lieu of, other rights and remedies that Buyer may have under other Purchase Terms or under law for breach of any of Supplier's warranties.

6. INSPECTION: Supplier will afford Buyer (and if the Purchase Order is placed under a U.S. Government contract, the U.S. Government) a reasonable opportunity to inspect and test the articles prior to shipping and during their manufacture. If any inspection or test is made on Supplier's premises, Supplier, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Buyer and U.S. Government inspectors. Such inspections and tests shall be performed in such a manner as to not unduly delay the work. Neither such opportunity to inspect nor the conducting of any such inspection shall be deemed to constitute acceptance of the articles by Buyer or relieve Supplier from its own testing, inspection and quality control obligations. Buyer also shall have the right to inspect and test the articles within a reasonable period (which in no event shall be considered a period of less than thirty days) after Buyer's receipt of the articles, notwithstanding any prior inspection or testing by Buyer. All defective or nonconforming articles may be rejected by Buyer without

prejudice to any other rights Buyer may have by reason of such defects or nonconformity. Supplier shall reimburse Buyer for any expenses incurred in unpacking, inspecting, repacking, storing and returning any rejected articles. Payment for articles shall not constitute acceptance thereof and is without prejudice to any and all claims Buyer may have against Supplier.

7. RELEASE OF NEWS INFORMATION AND ADVERTISING: Supplier shall not, without prior written consent of Buyer, issue any press release or announcement, make any public statement, or advertise or publish in any manner that Buyer has issued the Purchase Order or otherwise ordered articles from Buyer.

8. TERMINATION: Buyer shall have the right to terminate the Purchase Order or any part thereof at any time with or without cause by written notice to Supplier.

(a) Without Cause. In the event Buyer exercises its right to terminate all or any part of a Purchase Order without cause, Supplier shall immediately stop work under the Purchase Order and immediately cause its suppliers and subcontractors to cease such work. Supplier shall be entitled to reimbursement for any reasonable, non-recoverable costs incurred by Supplier in connection with its performance of the Purchase Order prior to its receipt of notice of termination, but in no event shall Supplier be entitled to reimbursement for (i) costs attributable to more than thirty (30) days' finished inventories and more than sixty (60) days' raw inventories, (ii) more than a percentage of the Purchase Order price reflecting the percentage of the work performed prior to Supplier's receipt of the termination notice, (iii) costs incurred by Supplier for work performed after its receipt of the termination notice, or (iv) costs incurred by Supplier's suppliers or subcontractors which Supplier or its suppliers or subcontractors reasonably could have avoided. In case of termination by Buyer of all or any part of the Purchase Order without cause, any claim by Supplier for such termination must be submitted to Buyer in writing no later than thirty (30) days after Supplier's receipt of such termination notice. Supplier waives any claim for reimbursement of the costs provided for herein if Supplier fails to notify Buyer in writing of such claim within thirty (30) days after Supplier's receipt of notice of termination. This subparagraph shall not limit or affect Buyer's right to terminate a Purchase Order for cause.

(b) With Cause. Buyer may terminate all or any part of the Purchase Order with cause by written notice to Supplier if (i) Supplier fails to make any delivery in accordance with the agreed delivery date or schedule or otherwise breaches or fails to observe or comply with any other instruction, term, condition, requirement, obligation, or warranty, separately or in any combination, under the Purchase Terms, (ii) Supplier fails to make timely progress in the production of the articles so as to create reasonable grounds for Buyer's insecurity with respect to Supplier's performance of its obligations under the Purchase Order, (iii) Supplier becomes insolvent, (iii) any proceeding in bankruptcy, reorganization or for the appointment of a receiver or trustee is filed by or against Supplier, or (iv) Supplier makes an assignment for the benefit of its creditors. In the event of termination for cause, Buyer may produce, purchase or otherwise acquire articles elsewhere on such terms or in such manner as Buyer may deem appropriate and Supplier shall be liable to Buyer for any excess cost or other expenses incurred by

Buyer. Buyer shall have no obligation for any costs relating to any articles not delivered to Buyer before notice of termination is given to Supplier. Buyer's rights and remedies under this subparagraph shall be in addition to any other rights and remedies it may have under the Purchase Terms or by law by reason of any breach or default by Supplier.

9. INTELLECTUAL PROPERTY INDEMNITY: Supplier shall defend, indemnify and hold harmless Buyer, its successors, assigns, agents, customers and anyone reselling or using Buyer's products from and against any and all claims, demands, actions, lawsuits, judgments, decrees, losses, damages, liabilities, costs and expenses (collectively, "Claims"), including, without limitation, any attorney's fees and any amounts paid in settlement of Claims, for or on account of any actual or alleged infringement of any patent, trademark, trade dress, copyright, trade secret or other intellectual property right, as well as any actual or alleged unfair competition, resulting or arising from the manufacture, use, sale or importation of any articles supplied under the Purchase Order, unless such Claim is based solely upon Buyer's own drawings and specifications furnished to Supplier by Buyer and the articles are of a type that Supplier does not customarily manufacture and that Supplier manufactures only for Buyer. Buyer may be represented by and actively participate through its own counsel in any claim, suit or proceeding covered by this paragraph if it so desires, and the costs of such representation shall be paid by Supplier. In no event shall Buyer have any obligation to indemnify Supplier for any Claim of infringement of any patent, trademark, trade dress, copyright, trade secret or other intellectual property right or any Claim of unfair competition.

10. EXCUSABLE DELAYS: Neither party shall be liable to the other as a result of any delays arising out of any cause beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of the U.S. Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, war, riots, and freight embargoes. If the delay is caused by the delay of a subcontractor of Supplier, and if such delay arises out of causes beyond the reasonable control of both Supplier and the subcontractor and without the fault or negligence of either of them, Supplier shall not be liable to Buyer in damages unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Supplier to meet the required delivery schedule. Supplier will notify Buyer in writing within ten (10) days after the beginning of any such cause.

11. ASSIGNMENT AND SETOFF: Supplier may not without Buyer's prior written consent (a) assign the Purchase Order or any right or interest therein, (b) delegate any obligation that it owes to Buyer under the Purchase Order, or (c) subcontract the performance of all or substantially all of its duties under the Purchase Order. Any attempted assignment or delegation shall be wholly void and ineffective for all purposes unless made in conformity with this paragraph. The Purchase Terms shall bind any permitted successors and assigns of Supplier. All claims for money due or to become due from Buyer shall be subject to deduction or setoff by Buyer by reason of any claim or liability arising from the Purchase Order or any other transaction between Buyer and

Supplier. Any consent by Buyer to assignment to Supplier's rights or delegation of Supplier's obligations shall not be deemed to waive Buyer's right to recoup or setoff claims arising out of the Purchase Order or any other transactions with Supplier, its divisions, affiliates or subsidiaries, or to settle or adjust matters with Supplier without notice to permitted successors and assigns.

12. CHANGES: Within the general scope of the Purchase Order, Buyer may require additional work, issue additional instructions or make changes by written direction to Supplier in any one or more of the following: (a) drawings, designs or specifications; (b) method of shipment or packaging; (c) delivery schedule; and (d) quantities. If any such change results in an increase or decrease in the cost of performance of the Purchase Order, an equitable adjustment shall be made in the price. Any claim by Supplier for adjustment under the Purchase Order pursuant to the preceding sentence must be made in writing within fifteen (15) days after Supplier's receipt of notice of the change and must be approved by Buyer in writing, but nothing shall excuse Supplier from proceeding with the Purchase Order as changed.

13. BUYER'S INFORMATION: Information, drawings, data, design, inventions, computer software, ideas, suggestions and other technical information supplied by Buyer or developed by Supplier at Buyer's request shall be Buyer's property and shall be held in confidence by Supplier. Such information shall not be reproduced, used, modified, or disclosed to others by Supplier without Buyer's prior written consent, and shall be returned to Buyer upon completion by Supplier of its obligations under the Purchase Order or upon Buyer's demand. Any information which Supplier may disclose to Buyer with respect to the design, manufacture, sale or use of the articles covered by the Purchase Order shall be deemed to have been disclosed as part of the consideration for the Purchase Order, and Supplier shall not assert any claim against Buyer for Buyer's use thereof.

14. BUYER'S PROPERTY: All property used by Supplier in connection with the Purchase Order which is owned, furnished, charged to or paid for by Buyer, including, but not limited to, materials, tools, dies, jigs, molds, patterns, fixtures, equipment, drawings and other technical information, information provided or stored on electronic media, computer software, specifications, and any replacement thereof, shall be and remain Buyer's property and shall be subject to removal and inspection by Buyer at any time without cost or expense to Buyer. Buyer shall have free access to Supplier's premises for the purpose of inspecting or removing such property. Supplier shall identify and mark all such property as Buyer's property, use such property only to perform its obligations under the Purchase Order, and adequately insure such property at Supplier's expense for Buyer's protection. Supplier shall assume all liability for and maintain and repair such property and return the same to Buyer in its original condition, reasonable wear and tear excepted. When such property is no longer required to perform Supplier's obligations under the Purchase Order, Supplier shall furnish Buyer with a list thereof and comply with any disposition instructions provided by Buyer. Buyer shall not be obligated to pay for tooling unless such obligation is expressly set forth on the face of the Purchase Order, and in no event shall Buyer be required to pay for tooling until after the first article produced therefrom has been inspected and shipped by

Supplier and received, inspected and accepted by Buyer. Materials furnished by Buyer on other than a change basis in connection with the Purchase Order shall be deemed to be held by Supplier as bailee thereof. Supplier agrees to pay Buyer's replacement cost for all such material spoiled or otherwise not satisfactorily accounted for as scrap loss.

15. GRATUITIES: Supplier warrants that neither it nor any of its employees, agents or representatives has offered or given any gratuities to Buyer's employees, agents or representatives with a view toward securing the Purchase Order or securing favorable treatment with respect thereto.

16. COMPLIANCE WITH LAWS AND STANDARDS: Supplier shall comply with, and the articles furnished under the Purchase Order shall be produced in compliance with and conform to, all applicable laws and governmental regulations, rules and requirements pertaining to the production, sale or delivery of the articles and the performance of the Purchase Order. Supplier warrants that articles furnished under the Purchase Order shall comply with any industry standards, codes or requirements identified on any drawings referenced on the face of the Purchase Order, and that any articles furnished for use as a component of any ice machine or other product to be manufactured by Buyer shall (a) contain less than the concentration thresholds for the metals and compounds identified in EU Directive 2002/95/EC on the Restriction of the Use of Certain Hazardous Substances in EEE (RoHS), as such Directive is amended and implemented in each of the EU member countries (the "RoHS Directive"), (b) comply with the standards and requirements set by the RoHS Directive and by EU Directive 2002/96/EC on Waste Electrical and Electronic Equipment (WEEE), as amended and implemented in each of the EU member countries, and (c) comply with all requirements of Underwriters Laboratories, Canadian Underwriters Laboratories, the National Sanitation Foundation, and the Canadian Standards Association, as applicable to articles used as components in any ice machine or other product for which Buyer has purchased such article.

17. NOTICE TO BUYER OF LABOR DISPUTES: Whenever Supplier knows or, in the exercise of reasonable judgment, should know, that any actual or potential labor dispute is delaying or threatens to delay Supplier's timely performance of the Purchase Order, Supplier shall immediately provide written notice and all relevant information relating thereto to Buyer. Supplier shall insert the substance of this Paragraph 17 in any subcontract as to which a labor dispute may delay the timely performance of the Purchase Order.

18. EFFECT OF INVALIDITY: The invalidity in whole or in part of any provision of the Purchase Terms shall not affect the validity of any other provision.

19. REMEDIES: The rights and remedies provided in this paragraph shall be cumulative and in addition to any further rights and remedies available to Buyer as provided by law or equity or under other Purchase Terms. In addition to and not in limitation of any other remedies available to Buyer, Buyer may at its option: (a) return any nonconforming or late delivered articles to Supplier at Supplier's expense; (b) charge Supplier for any amount in excess of the Purchase Order price required to

obtain articles in substitution for articles not delivered pursuant to the Purchase Terms, including articles rejected due to nonconformity, late delivery or breach of warranty; (c) rework or repair articles to make them conform to the Purchase Order and charge Supplier for the expense thereof; (d) use the nonconforming articles for a purpose other than the purpose originally intended and charge Supplier for the amount by which the Purchase Order price exceeds the price of articles normally required for such alternative purposes; (e) charge Supplier for the full amount of any monetary loss suffered by Buyer as a result of any breach of the Purchase Terms; and (f) require Supplier to repair or replace defective articles at Supplier's expense.

20. BUYER APPROVALS AND REVIEWS: Buyer's review or approval of any articles under the Purchase Order or of any design, drawings, specifications or other documents prepared under the Purchase Order by Buyer and/or Supplier shall not (a) relieve Supplier of any of its obligations under the Purchase Order, (b) excuse or constitute a waiver of any defects or nonconformities in any articles furnished under the Purchase Order, or (c) change, modify, or otherwise affect any of the Purchase Terms, including, but not limited to, the prices and delivery schedules contained in the Purchase Order.

21. TAXES: Unless otherwise expressly stated on the face of the Purchase Order, Supplier shall pay all assessments, impositions, charges, exactions, excise, use and other taxes (however designated) imposed on or measured by the production, sale, delivery or use of the articles furnished under the Purchase Order (collectively, "Taxes") to the extent such Taxes are required, or not forbidden by law, to be borne by Supplier. Prices for articles shall not include any Taxes for which Buyer has furnished an exemption certificate to Supplier.

22. TIME: Time is of the essence in the performance of the Purchase Order by Supplier.

23. TITLE AND RISK OF LOSS: Unless otherwise expressly stated on the face of the Purchase Order, title to the articles shall pass to Buyer upon delivery of the article to the F.O.B. point named in the Purchase Order. Notwithstanding the use of any F.O.B. or other term on the face of the Purchase Order to the contrary, Supplier assumes all risk of loss of the articles until Buyer actually receives articles conforming to the Purchase Terms.

24. TERMS OF PAYMENT: Unless otherwise expressly stated on the face of the Purchase Order, terms of payment shall be two percent (2%) – ten (10) days, net – forty-five (45) days.

25. HAZARDOUS MATERIALS: Supplier shall notify Buyer in writing of every article ordered under the Purchase Order that contains material which may be hazardous or injurious to the health or physical safety of persons, including without limitation, material that may present such a hazard or injury may only the article is mishandled or misused, and identify in such written notice the hazardous or injurious material, the effect of such material on human beings, and the physical manifestations that may result from

exposure to the material. For each article so identified, Supplier shall supply Buyer with warning labels and instructional materials sufficient to warn persons exposed to the material of its hazard and effects.

26. LIMITATION ON BUYER'S LIABILITY; STATUTE OF LIMITATIONS: In no event shall Buyer be liable for any claim for anticipated profits or incidental or consequential damages. Buyer's liability on any claim of any kind for any loss or damage arising from or relating to the Purchase Order or its performance or breach shall in no case exceed the price allocable to the articles which give rise to such claim. Buyer shall not be liable for penalties of any kind or description. Any action resulting from any breach by Buyer arising from or relating to the Purchase Order, its performance, or the articles furnished under the Purchase Order, must be filed within one (1) year after such cause of action has accrued.

27. APPLICABLE LAW: The formation of the purchase agreement and the performance and construction of the Purchase Terms shall be governed by the Uniform Commercial Code as adopted in the State of Illinois, USA, as such law applies to contracts entered into and fully performed in such State without giving effect to any conflict of laws principles. Wherever a term defined by such Uniform Commercial Code is used in the Purchase Terms, the definition contained in such Uniform Commercial Code will control. The parties shall comply with all laws, orders, rules and regulations applicable to the Purchase Order, including any applicable export control laws and regulations of the United States. The terms of the United Nations Convention on the Sale of Goods shall not apply to the Purchase Order.

28. PRODUCT LIABILITY AND INDEMNIFICATION:

(a) Supplier assumes entire responsibility for the safety of all articles supplied to Buyer under the Purchase Order when such articles are used for their intended purposes and in accordance with reasonable warnings and instructions supplied by Supplier. Supplier shall take all reasonable steps to directly warn users of any dangers associated with the articles.

(b) Supplier accepts responsibility for, and shall defend, indemnify, and hold harmless Buyer and its affiliates, successors, directors and officers (individually, an "Indemnified Party" and collectively, the "Indemnified Parties") from and against, any and all claims, demands, causes of action, lawsuits, judgments, decrees, liabilities, losses, damages, costs and expenses (collectively, "Claims"), including, without limitation, any attorneys' fees, amounts paid in settlement of Claims, and the costs of any recall or other corrective action taken with respect to any of the articles supplied under the Purchaser Order, which arise directly or indirectly from or are in any way associated with (i) a defect in the design, manufacture, materials or assembly of the articles, whether or not such Claim arises within or beyond any warranty period, (ii) the use or operation of any article supplied under the Purchase Order, (iii) any personal injury or property damage in the nature of product liability, (iv) any failure of the articles to conform to the representations of Supplier as set forth in the Purchase Terms or otherwise made in writing by Supplier in connection with the sale or delivery of the

articles, (v) any failure by Supplier to comply with any applicable law, (vi) any breach by Supplier of any of the Purchase Terms, and (vii) any action or inaction of Supplier, its employees, agents or subcontractors; provided, however, that Claims arising solely from the improper installation, use or maintenance of the articles by Buyer shall be excluded from the scope of Supplier's obligations under this subparagraph. This indemnity shall survive termination of the Purchase Order and shall be in addition to all other indemnities made by Supplier or other remedies available to the Indemnified Parties.

(c) Supplier shall indemnify and hold Buyer harmless against any and all damages, costs and expenses incurred or suffered by Buyer as a result of (i) any recall by Buyer or any of its customers of any articles furnished under the Purchase Order or any end product sold by Buyer that employs or incorporates any such article as a part or component thereof, (ii) any repair or replacement by Buyer or any of its customer of any such articles or end products, and (ii) any refund by Buyer or any of its customers of the purchase price paid by Buyer's customers or end users for any such articles or end products; provided, however, that any such recall, repair, replacement or refund is based upon a defect, whether of design, manufacture, materials or warnings, in the articles furnished by Supplier or the failure of such articles to conform to any standard to which such articles are required to conform by law or under the Purchase Terms, any applicable industry standard, or any specification or standard to which Buyer ordered the article (an "Applicable Standard"), which creates a reasonable possibility of injury to persons or property. In the event that the articles supplied by Supplier are not the sole cause for any such action by Buyer, Buyer shall apportion its costs, damages and expenses in such manner as it shall determine in its sole judgment is reasonable and equitable. Buyer shall not be required to consult with Supplier or seek Supplier's concurrence for any report submitted by Buyer to any administrative or regulatory agency or body, or for the communication to any such agency or body of information that articles furnished by Supplier fail to conform to any Applicable Standard or constitute or create, either themselves or when incorporated in or employed with the end products of which they are a part or component, a situation requiring a report or notice to such agency or body or a recall or other corrective action. Supplier hereby releases and discharges Buyer from any liability for any error or omission in reporting such information to any such agency or body.

(d) Supplier shall pay all costs and expenses, including but not limited to attorneys' fees, which may be incurred by any of the Indemnified Parties in connection with enforcing any of the foregoing indemnity provisions.

29. INSURANCE: Supplier shall maintain in effect insurance procured from a company or companies that possess a rating of at least A10 in Best's Insurance Guide. Such policies shall cover commercial general liability (including products liability and excess liability), workers' compensation and employers' liability, and automobile liability, all with such limits as are sufficient, in Buyer's reasonable judgment, to protect Supplier and Buyer from the liabilities insured against by such coverage. Supplier's insurance as described in this paragraph shall be primary and not contributory with Buyer's insurance and shall name Buyer and its affiliates as additional insureds on a primary and non-

contributory basis, using Form CG20 15 Broad Form Supplier's Endorsement or its equivalent with respect to the commercial general liability policy, including products liability. All provisions of the policies required by the Purchase Terms, except the limits of liability, shall operate in the same manner as if there were a separate policy covering Buyer under each policy required by the Purchase Terms. Upon Buyer's request, Supplier shall provide Buyer with certificates of insurance, including all applicable endorsements, evidencing the required coverage and including a clause that obligates the insurer to provide Buyer at least thirty (30) days' prior written notice of any material change or cancellation of such policies. The obligation to provide insurance as described in this paragraph is separate and independent of all other obligations contained in the Purchase Terms and shall not relieve Supplier of any liability or obligation to Buyer for which it is responsible.

30. RECORDS: Supplier shall prepare, maintain and file with the appropriate authority such records and reports as pertain to the manufacture, sale, use and characteristics of the articles furnished to Buyer under the Purchase Order as may be required by any federal, state or local law or regulation concerning the manufacture, sale or use of articles or the end products of which the articles may be a part or component. Supplier shall provide Buyer with copies of such records as Buyer may require and permit Buyer access to Supplier's records to permit Buyer to ascertain Supplier's compliance with this paragraph.

31. PRICES: Supplier represents, covenants and warrants that the prices in the Purchase Order are not less favorable than those currently extended to any other customer for the same or similar articles in similar quantities, and that prices will comply with all applicable laws or governmental regulations in effect at the time the Purchase Order is accepted. In the event Supplier reduces its price for such articles before all articles covered by the Purchase Order are paid for by Buyer, Supplier shall notify Buyer of such price reductions and reduce its price for the articles covered by the Purchase Order accordingly for any articles for which Buyer has not yet paid.

32. EQUAL OPPORTUNITY EMPLOYER AND GOVERNMENT WORK. Buyer is an equal opportunity employer and the articles covered by the Purchase Order may relate to a contract with the United States Government. Buyer represents, covenants and warrants that it complies with the following laws, orders and regulations, and any government contract clauses required thereunder: the Equal Opportunity Clause of Executive Order 11246 as implemented in 41 C.F.R. § 60-1.4; Executive Order 13201 as implemented in 29 C.F.R. Part 470 relating to posting of employee notices; 41 C.F.R. § 60-1.8 relating to the maintenance of non-segregated facilities; 41 C.F.R. § 60-250.5(a) relating to disabled and Vietnam era veterans; and 41 C.F.R. § 60-741.5(a) relating to individuals with disabilities.

33. SEVERABILITY, AMENDMENT AND WAIVER. Any Purchase Term which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating any other Purchase Terms. No amendment, modification or waiver of any Purchase Term shall be valid unless in a writing signed by both Buyer and Supplier. Buyer's failure to

insist upon performance of any Purchase Term or to exercise any of Buyer's rights or remedies, and Buyer's waiver of any breach of any Purchase Term, shall not thereafter waive any other term, right or remedy, whether of the same or similar type. No single or partial exercise of any right by Buyer under the Purchase Terms shall preclude any other or further exercise of such right or the exercise of any other right or privilege of Buyer.

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