

**ALKEN INDUSTRIES, INC.**  
**PURCHASE ORDER TERMS & CONDITIONS**

1. **COMPLETE AGREEMENT:** The terms and conditions of this purchase order set forth the entire agreement between the parties hereto and supersede all previous communications, proposals, representations or agreements, whether written or oral. No agreement or understandings which varies or extends the terms or conditions of this purchase order will be binding unless issued in writing by the Buyer or a duly assigned officer or representative of Alken Industries, Inc. No conditions stated by the Seller in its acknowledgement of this order shall be binding upon the Buyer if in conflict with, inconsistent with, or in addition to the terms and conditions stated herein. Any such conditions, if not agreed to by the Buyer through a subsequent purchase order amendment, have been rejected by the Buyer.
2. **SUBCONTRACTING / ASSIGNMENT:** Seller agrees that it will not enter into a subcontract or purchase order for the procurement of the items covered by this order in completed or substantially completed form, and the monies due thereunder shall not be assigned, nor any part thereof, without securing the written approval of the Buyer.
3. **COMPLIANCE:** Seller will comply with all applicable federal, state, and local laws, orders, regulations and ordinances in performance of this purchase order. Seller covenants and agrees to save and hold Buyer harmless from and reimburse same for any, and all costs, damages, and expenses, including reasonable attorney's fees, suffered or occasioned to the Buyer through any failure of Seller to comply with such laws, orders, regulations, and ordinances.
4. **WARRANTY:** Seller expressly warrants that all articles ordered to specifications, drawings, or other descriptions furnished by the Buyer will conform thereto, and that all articles will be of good quality and workmanship and free of defect.
5. **ADDENDA:** All supplemental sheets, schedules, exhibits, specifications, drawings, data, or riders, which may be annexed hereto, are made part of this order, and Seller agrees by acceptance that all such information has been available and that it will enable the Seller to perform all work called for in the completion of this order.
6. **CHANGES:** Buyer may at any time, by written amendment, make changes in the drawings, specifications, or other descriptions furnished, quantity of product ordered, delivery schedule, or any other element of this purchase order. If any such changes cause an increase or decrease in purchase order value, or in time required for performance, an equitable adjustment shall be made and this purchase order shall be modified in writing. Any claim for adjustment under this provision must be submitted in writing within 30 days from the date the changed is ordered. No modification of this order shall be binding on the Buyer unless made by a formal purchase order amendment, signed by the Buyer or a duly authorized representative.
7. **QUALITY SYSTEM:** Suppliers shall maintain a quality system acceptable to Alken Industries, Inc. The quality system, and all materials and workmanship shall at Alken's discretion, be subject to survey, source inspection and test by Alken or Alken's customers at any reasonable times in the supplier's facility. All parts will also be subject to final inspection at Alken's plant for conformance. Any non-conforming articles due to unacceptable workmanship on the part of the supplier shall be removed at the expense of the supplier, including transportation both ways. The Seller shall bear all risks of loss or damage to rejected articles. In addition to their right of rejection, and without limitation to any other remedy, Alken may require the prompt repair and/or replacement of rejected articles or elect to retain them and remedy any defects. Cost of remedying such defects shall be deducted from the amount due to the supplier.

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**PURCHASE ORDER TERMS & CONDITIONS (CONT'D)**

8. **RESPONSIBILITY:** Seller, while in possession of property of the Buyer, or the Buyer's customer shall be liable for its loss or damage except for reasonable wear and tear and/or normal manufacturing losses. Seller shall maintain such property, in good condition, and dispose of same as instructed by the Buyer at the completion on this order.
9. **DRAWINGS, SPECIFICATIONS, TECHNICAL INFORMATION:** All drawings, specifications, and materials, including data, designs, inventions, CNC programs, tooling/fixtures, and other technical information, supplied by Alken in connection herewith (hereinafter called "data") shall remain the property of and shall be held in confidence by the supplier. Except in the performance of this order, such data shall not be reproduced, used and/or disclosed to others by the supplier, including any government, person, or firm without Alken's written consent.
10. **MATERIALS:** If Purchaser furnishes materials, supplier shall return to Purchaser all unused or scrap materials unless otherwise directed, in writing, by the Purchaser. Upon delivery to Alken, the full quantity of consigned material shall be noted on the packing slip with the condition of the part either non-conforming for evaluation by Alken or scrap. In either condition the parts must be tagged.
11. **LAW GOVERNING:** This purchase order is to be governed by and construed according to the laws of the State of New York.
12. **DELIVERY:** Seller must receive written approval from the Buyer to ship any items **more than 15 days** in advance of the delivery dates set forth in this purchase order. Items received without such approval are subject to rejection and Seller will be responsible for all freight expense, or Sellers invoice will be paid in accordance with the terms of the purchase order and original delivery date. On a quarterly basis, the Supplier will receive their delivery performance rating. Failure to deliver per the Purchase Order delivery date on a constant basis, may lead to being disapproved as a qualified supplier.
13. **PAYMENTS:** The term of any payment provided for this order, and all discounts related thereto, shall be calculated from (i) the dates items are received; (ii) the dates the items are scheduled to be received; or (iii) the date an acceptable invoice is received, whichever is later.
14. **TERMINATION:** Alken reserves the right to terminate this purchase order or any part thereof, at any time at no cost to Alken whenever: 1) the vendor does not maintain acceptable quality, timely progress, and/or delivery schedule; 2) the Purchaser and/or customer, or ultimate Purchaser request the termination of this order in whole or in part. Such termination shall state the effective date of termination, upon which the Buyer and Seller will negotiate a fair compensation to the Seller for materials and/or services rendered prior to termination.
15. **NON-WAIVER BY BUYER:** The failure of the Buyer to insist, in any one or more instances, upon strict conformance to any of the terms and conditions, or supplemental clauses of this purchase order, will not waiver or relinquish to any extent Buyers right to assert and enforce such terms and conditions or supplemental clauses, in whole or in part, on any future occasion.
16. **NON-DESCRIMINATION:** The Equal Opportunity Clause Section 202, paragraphs 1 through 7 of Executive Order 11246, as amended; 38 USC 4212 of the Vietnam Era Re-adjustment Assistance Act of 1974, and Section 503 of the Rehabilitation Act of 1973 relative to equal opportunity and implementing rules of the Office of Federal Contract Compliance Programs are incorporated herein by specific reference.