

## Conditions of Purchase

1. **GENERAL.** KYDEX, LLC., a Pennsylvania corporation ("Buyer"), hereby orders from the vendor ("Seller") identified on the front of this Purchase Order ("Order") the merchandise ("Goods or Services") specified on the front of this Order, subject to and upon the express terms and conditions printed and written on the front and reverse hereof ("Terms and Conditions"). SELLER'S ACCEPTANCE OF THIS ORDER IS EXPRESSLY LIMITED TO SUCH TERMS AND CONDITIONS AND AN ACCEPTANCE STATING ADDITIONAL OR DIFFERENT TERMS WILL BE DEEMED A REJECTION OF THIS ORDER. IF NO NOTIFICATION IS RECEIVED BY BUYER WITHIN 10 DAYS OF RECEIPT OF THIS ORDER OR IF SHIPMENT OF ANY PART HEREOF IS MADE, IT IS UNDERSTOOD THAT THE TERMS AND CONDITIONS OF THIS ORDER ARE SATISFACTORY TO AND ARE ACCEPTED BY SELLER. No local, general or trade custom or usage of trade or prior course of dealing shall be deemed to effect a variation in the Terms and Conditions.

2. **PRICE.** Seller shall furnish the Goods at the price or prices stated herein. And increases in any stated price will be effective only if evidenced by a written amendment to this Order signed by Buyer and Seller. No charges for crating, boxing, packing, transporting, unloading, assembling or installing any Goods will be allowed or payable unless specified in this Order or agreed to in writing by Buyer. Unless otherwise specified herein, invoices will be paid according to discount terms or, if not offered, within 30 days after receipt and acceptance of the Goods hereunder.

3. **MARKING/PAKING.** Seller shall pack all Goods and mark all Goods and packaging in accordance with Buyer's instructions. Any packages or Goods not so packed or having labels or marks other than those specified by Buyer may, at Buyer's option and at Seller's risk and expense, be returned to Seller for repacking and/or remarking.

4. **DELIVERY.** (a) The time or times specified for shipment and/or delivery on the front hereof are of the essence of this Order, and Seller agrees to pay Buyer for any resulting loss or damage sustained by it. If the goods are not shipped and/or delivered within time or times so specified, Buyer may in its sole and absolute discretion cancel this Order with respect to all or any undelivered part or installment of the Goods and hold Seller liable for all damages. Unless otherwise specified on the front hereof, all expenses and risks with respect to the Goods are for Seller's account until such Goods are delivered to Buyer at the destination shown on the front hereof. (b) Unless otherwise provided on the front hereof, the Goods may not be delivered in installments. If this Order does provide for delivery in installment or if Buyer agrees in writing to accept delivery in installments, and Seller defaults in making timely delivery of any such installment or breaches any other term or condition hereof, Buyer may, at its option, by giving written notice to Seller of its election so to do, cancel this Order of any undelivered portion hereof and/or may defer or delay payment under this Order until such breach or default is cured. In the event of any such cancellation by Buyer, Buyer shall have the right to recover damages against Seller suffered by reason of Seller's breach or default hereunder.

5. **STRICT CONFORMITY.** Buyer has bargained for the goods listed on the front hereof and commercially equivalent Goods are not acceptable without its prior written approval. All Goods shipped or delivered to Buyer shall strictly conform to all specifications, drawings, samples, packing or other descriptions or instructions provided to or by Buyer.

6. **INSPECTION AND ACCEPTANCE.** The Goods shall be subject to final inspection, approval and rejection by Buyer or its agent. Defective or otherwise non-conforming Goods may be rejected in whole or in part at Buyer's option and, if rejected may be returned by Buyer to Seller at Seller's risk or may be held for disposition by Buyer at Seller's risk after written notice of such rejection by Buyer to Seller. Any payment made at any time by Buyer to Seller or delay by Buyer in inspecting the Goods, in giving notice of rejection to Seller or in returning any rejected Goods to Seller shall not be deemed an acceptance of such Goods by Buyer or be deemed a waiver of Buyer's right to inspect, make any claim or reject or return such Goods. Rejected Goods shall not be replaced except upon Buyer's specific instructions in writing to that effect. In the event of rejection, Seller shall indemnify Buyer against all claims arising from such rejection or from Seller's delivery of defective or otherwise non-conforming Goods, and, on demand shall forthwith pay Buyer all sums theretofore paid by Buyer to Seller.

7. **TERMINATION.** Buyer reserves the right to terminate this Order, or any part hereof, and to cancel all or any part of the undelivered portion of this Order upon written notice to Seller, and without any cost, charge or penalty to Buyer: (i) if Seller fails to deliver the Goods required hereby on or before the Delivery Date(s) Specified in this Order (ii) if Seller breaches any of the other terms and conditions of this Order, including warranties; and or (iii) in the event of the happening of any of the following: insolvency of Seller; filing by Seller of a voluntary petition in bankruptcy; filing of any involuntary petition to have Seller declared bankrupt, provided it is not vacated within 30 days from the date of such filing; or the execution by Seller of any assignment for the benefit of creditors.

8. **WARRANTIES.** Seller represents and warrants that: (1) the Goods purchased hereunder shall (i) be free from any defects in design, workmanship or materials, (ii) conform to the applicable specifications, drawings, samples or other descriptions furnished to or by Buyer, (iii) be merchantable, (iv) be fit for the uses for which they normally are intended and to which they normally are put and for any specific or special purpose or use which the Seller knows is contemplated by Buyer; (2) it has clear title to the Goods purchased hereunder and can transfer such Goods to Buyer without encumbrance; (3) there is no pending litigation or existing claim in any manner involving the Goods ordered hereunder or any party's rights to use or sell such Goods; and (4) Buyer's enjoyment and exploitation of the Goods ordered hereunder will not violate (i) any applicable law, rule or regulation, (ii) any contract, agreement or understanding to which Seller is a party or by which Seller is bound, or (iii) any name, copyright, trade secret or other intellectual property right. All warranties shall insure to Buyer, its customers and all subsequent owner or users of the Goods or the end-products of which they are a part.

9. **SELLER'S INDEMNIFICATION.** Seller hereby agrees to defend, indemnify and hold harmless Buyer, its customers, their respective affiliates, successors and assigns, and the officers, directors and employees of each of them (collectively, "Indemnified Parties"), from and against, any and all damages, losses, expenses, costs, claims, judgments and liabilities, including without limitation, reasonable attorneys' fees, incurred by or assessed against any Indemnified Parties and arising from or in connection with: (i) any claim that the manufacturer, assembly, sale, lease, use or other disposition of any of the Goods constitutes unfair trade competition or the infringement of any patent, trademark, service mark, trade name, copyright, trade secret or other intellectual property right of any person or (ii) the breach of any warranty or representation of Seller under or in connection with this Order or otherwise with respect to the Goods. If any claim, action, suit or proceeding (an "Action") is brought against Buyer which is covered by Seller's obligation under the Order, Buyer shall give notice in writing to Seller, by registered mail, at the address set forth above. Such notice shall be given not more than 30 days after Buyer knows of such Action; provided, however, that the failure to give such notice shall not affect Seller obligations hereunder. Upon receipt of such notice, Seller, at its own expense, shall not defend against such Action by counsel of Seller's choosing (subject to Buyer's approval, which shall not be unreasonably withheld) and take all such steps as may be necessary or proper to prevent the obtaining of a judgment against Buyer; provided, however that in any such notice or on 30 days written notice during the pendency of such Action. Buyer may elect to defend against such Action, at Seller's expense, by counsel of Buyer's choosing.

10. **COMPLIANCE WITH LAWS.** Seller warrants that the Goods shall comply with all applicable federal, state, local, international and foreign laws and regulations.