

PURCHASE ORDER TERMS AND CONDITIONS

1. **ORDER PLACEMENT.** MID VALLEY INDUSTRIES, LLC ("Buyer") may, at its option, place any or all orders for goods and/or services with you ("Seller") by way of mail (conventional or electronic), facsimile, telephone, electronic data Interchange, or other e-commerce transmission. All such orders regardless of media used shall be governed by this Purchase Order Terms & Conditions.
2. **PACKING, MARKING & SHIPPING.** (a) All items shall be property packed, marked and shipped in accordance with the requirements of the common carrier transporting such items and of this Purchase Order and in a manner which will permit the securing of the lowest transportation rates. Seller shall route shipments in accordance with Buyer's terms and conditions. (b) Unless otherwise provided in this Purchase Order, no charge shall be made by Seller for containers, crating, boxing, bundling, dunnage, drayage, or storage.
3. **PACKING SLIPS, BILLS OF LADING & INVOICES.** (a) Each packing slip, bill of lading and invoice shall bear the applicable Purchase Order number and the location of the plant to which items are to be shipped or where the services will be performed. (b) A numbered master packing slip shall accompany each shipment. If less than a carload is being shipped, the slip shall be included in one of the packages which shall be marked "Packing Slip Inside". In the case of a carload shipment, the slip shall be enclosed in an unsealed envelope and tacked near the door on the inside of the freight car. (c) Original bill of lading must be attached to invoices when mailed by Seller. (d) If partial shipments are made, a separate invoice must be prepared for each shipment. (e) If two or more orders are shipped together, each order must be invoiced separately and these invoices cross-referenced to each other.
4. **PRICES; PAYMENT.** No price increases shall be allowed without at least 90 days written notice and prior written approval of Buyer. Invoices may be paid by check, credit card, debit card, at Buyer's option.
5. **ACCEPTANCE.** Unless otherwise provided herein, it is understood and agreed that the written acceptance by Seller of this Purchase Order (physically or electronically) or the commencement of any work, delivery of any items or the performance of any services hereunder by Seller (including the commencement of work, delivery or the performance of any services with respect to samples) shall constitute acceptance by Seller of this Purchase Order and of all of its terms and conditions, and that such acceptance is expressly limited to such terms and conditions.
6. **SHIPPING RELEASES.** (a) Buyer shall have no responsibility for items or services for which delivery dates or such written instructions have not been provided. Shipments of items in excess of those authorized may be returned to Seller and Seller shall pay Buyer for all packing, handling, sorting, and transportation expenses incurred in connection with such shipments. Buyer may from time to time change shipping/performance schedules specified in this Purchase Order or contained in such written instructions or direct temporary suspension of such scheduled shipments/performance. (b) Delivery/performance must be made in accordance with the time stated on this Purchase Order; otherwise, Buyer reserves the right to cancel it.
7. **INSPECTION.** All items supplied hereunder shall be subject to inspection and testing at Buyer's Plant. All services performed hereunder are subject to Buyer's satisfaction and full approval. Seller grants Buyer the right to conduct inspections at the plant where Seller may produce goods or services for Buyer. Buyer shall have the right to reject and/or return to Seller all or any portion of goods or services which are non-conforming. In such event, Seller shall reimburse Buyer for its costs of inspection and the cost to return the non-conforming goods to Seller.
8. **INTELLECTUAL PROPERTY.** (a) Seller shall defend, indemnify and hold harmless Buyer and Buyer's agents, customers and other parties with which Buyer deals, from and against any and all liability, loss, damage, fines, penalties, claims, actions, judgments, costs and expenses, including reasonable attorneys' fees, arising out of or relating to any claim that the performance of services or use or sale of any item or item part furnished hereunder constitutes an infringement of any patent, trademark, trade dress, trade secret, copyright or other intellectual property right. (b) If any item or item part, or the use thereof, is held to constitute infringement, Seller shall, at its own expense and at Buyer's option, either procure for Buyer the right to continue using said item or part, or replace said item or part with a substantially similar non-infringing item or part acceptable to Buyer. If Buyer determines further use of the item or part is not possible or Buyer can no longer take advantage of any part or services due to the infringement, Seller will accept the return of said item or part, and refund to Buyer the purchase price of such item and/or services and any transportation and/or installation costs incurred by Buyer. (c) Seller hereby grants to Buyer a license to repair, rebuild, and relocate, and to have repaired, rebuilt, and relocated patented items purchased by Buyer under this Purchase Order.
9. **TERMINATION AT OPTION OF BUYER.** (a) Performance of work under this Purchase Order may be terminated by Buyer, at its option, in whole or in part, at any time by hand delivery, or by the faxing, e-

mailing or mailing, either conventionally or electronically of a written notice of termination to Seller. Buyer shall have such right of termination notwithstanding the existence of any cause or event beyond Seller's control. (b) After receipt of notice of termination, Seller shall, unless otherwise directed by Buyer, immediately terminate all work under this Purchase Order and deliver to Buyer (i) all completed work which conforms to the requirements of this Purchase Order and does not exceed, in quantity, the amount authorized for production by Buyer, and (ii) all reasonable quantities (but not in excess of amounts authorized by Buyer) of work in process and materials produced or acquired in respect of the performance of the work terminated which are of a type and quality suitable for producing items which conform to the requirements of this Purchase Order, and which cannot reasonably be used by Seller in producing items for itself or for its other customers. (c) As a result of termination by Buyer under this paragraph, Buyer shall pay to Seller the following amounts without duplication: (1) the Purchase Order price for all items or services which have been completed in accordance with this Purchase Order and not previously paid for and (2) the actual costs incurred by Seller in accordance with this Purchase Order to the extent such costs are reasonable in amount and are property allocable or apportionable under generally accepted accounting practices to the terminated portion of this Purchase Order, including the actual cost of work in process and materials delivered to Buyer in accordance with Subparagraph (b), above, and including the actual cost of discharging liabilities which are so allocable or apportionable. Payments made under this subparagraph (c) shall not exceed the aggregate price specified in this Purchase Order, less payments otherwise made or to be made. The foregoing items shall be the sole liability of the Buyer for termination. (d) The provisions of this Paragraph 9 shall not apply if this Purchase Order is canceled by Buyer for the default of Seller or a force majeure event sustained by Buyer.

10. CHANGES. (a) Buyer may at any time, by written change order, make changes in (1) the drawings, designs, and/or specifications applicable to the items and/or services covered by this Purchase Order, (2) the method of shipment and packing, and/or (3) the place of delivery. (if any such changes affect the time for performance, the cost of manufacturing such items or the cost of furnishing such services, Buyer shall make an equitable adjustment in the purchase price or the delivery schedule, or both). (e) Seller shall not make any changes in the design or composition of any items ordered hereunder without the prior written approval of Buyer.

11. REMEDIES. The individual rights and remedies reserved herein shall be cumulative and additional to

any other or further remedies or damages provided in law or equity including all damages and remedies provided by the U.C.C. or in this Purchase Order; all of which apply hereunder, and specifically including incidental and consequential damages. Waiver of any breach shall only be in writing and shall not constitute a waiver of any other breach of the same or any other provision. Acceptance of any items/services or payments therefore shall not waive any breach.

12. MODIFICATION OF PURCHASE ORDER & NON-ASSIGNMENT. This Purchase Order, together with any written instruction issued hereunder by Buyer, contain the complete and full agreement between Buyer and Seller, with respect to the subject matter hereof, and no agreement or other understanding in any way purporting to modify the terms and conditions thereof shall be binding upon Buyer unless otherwise agreed to by Buyer in writing on or subsequent to the date of this order. Seller shall not, without the prior written approval of Buyer, delegate in any manner to any other person the performance of any work or the supplying of any items or services due under this Purchase Order. Seller may assign monies due and to become due under this Purchase Order; provided, however, that Buyer shall be entitled to assert against the assignee thereof all rights, claims, and defenses of every type (including, without limitation, rights of setoff, recoupment and counterclaim), which Buyer could assert against Seller whether acquired prior or subsequent to such assignment.

13. SAMPLE PARTS. When applicable, Seller, at its own expense, shall fabricate from production tooling and furnish to Buyer the number of sample parts specified by Buyer. Seller shall inspect such samples prior to delivery and shall certify inspection results in the manner requested by Buyer.

14. COMPLIANCE WITH LAWS, RULES AND REGULATIONS. Seller warrants it will comply with Buyer's specifications, all training programs required by the Buyer, and all applicable laws, rules and regulations of federal, state and local governments and any agencies thereof, unless this Purchase Order is exempt pursuant to applicable executive orders, statutes, or the regulations promulgated thereunder. When required by the above laws or regulations, Seller shall develop written affirmative action plans and file EEO-100 forms. A complete copy of the equal opportunity clauses contained in the Department of Labor's regulations is available upon request.

15. MSDS. Seller shall provide all applicable MSDS to Buyer.

16. APPLICABLE LAW; VENUE. This Purchase Order shall be construed in accordance with, and be governed by the laws of Wisconsin without regard to its conflicts of law provisions. All litigation arising hereunder shall be commenced and prosecuted in the Outagamie

County Circuit Court, Appleton, Wisconsin, or the United States District Court for the Eastern District of Wisconsin, Green Bay, Wisconsin. Seller expressly consents to the jurisdiction and venue of Outagamie County Circuit Court or the United States District Court for the Eastern District of Wisconsin, as applicable.

17. **WARRANTY.** Seller warrants that the items and/or services covered by this Purchase Order will conform to the specifications, drawings, samples, or other description furnished or specified by Buyer, and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship, and free from defect, latent or patent. The warranties and remedies provided herein shall be in addition to those implied by or available at law and shall exist notwithstanding the acceptance by Buyer of all or part of the items and/or services with respect to which such warranties and remedies are applicable. Seller acknowledges that Buyer is relying on Seller's skill or judgment to select or furnish suitable items/services for Buyer's intended purpose. Seller also warrants that it has clear title to the items, and the items shall be delivered free of any and all liens and encumbrances. Inspection, test, acceptance, or use of the items and/or services furnished hereunder does not affect Seller's obligations under this Paragraph. Seller agrees at Buyer's option, to replace or correct defects in any items or reperform services not conforming to the foregoing warranty promptly, and without expense to Buyer, when notified of such non-conformity by Buyer.
18. **INDEMNIFICATION.** Seller agrees to indemnify and hold Buyer and Buyer's agents, customers and other parties with which Buyer deals, harmless from and against any and all liability, loss, damage, injuries, fees, penalties, claims, actions, proceedings, judgments, costs and expenses, including reasonable attorneys' fees, arising out of or in any way related to the items furnished or services performed by Seller pursuant to this Purchase Order or Seller's breach of or failure to perform or comply with the terms, conditions, covenants and warranties contained in or arising under this Purchase Order. Seller further agrees upon request by Buyer and at Seller's sole expense, to defend or assist in the defense of any such claim, action or other proceeding.
19. **TITLE AND RISK OF LOSS.** Regardless of F.O.B. terms, title to and risk of loss of the items shall not pass to Buyer until Buyer's receipt and acceptance of the items, except that the delivery of the items is to be made to Buyer without moving the items, then title to

the items shall pass to Buyer upon Seller's acceptance of the Purchase Order. Any damage to goods caused during transit shall be repaired or replaced at Seller's sole cost and expense.

20. **ATTORNEYS' FEES.** In the event of any litigation arising out of this Purchase Order, the prevailing party shall be entitled to reimbursement of its reasonable attorneys' fees and costs.
21. **RIGHT TO RETURN.** Notwithstanding any provision of this Purchase Order or the U.C.C. to the contrary, Buyer shall have the absolute right to return to Seller any items purchased by Buyer which Buyer reasonably concludes present any safety hazard or excess quantities delivered by Seller. Title to all such items shall revert in Seller upon notification by Buyer to Seller of Buyer's intention to invoke the provisions of this Paragraph. Seller shall immediately refund to Buyer the full invoice amount for such items less costs incurred to return items.
22. **CONFIDENTIALITY.** Seller agrees to hold in strict confidence, not use for any reason other than for the benefit of Buyer and not disclose to any other party for any reason, any prints, samples, or other specifications which Buyer provides to Seller to fulfill any order. Seller agrees to return any such prints, samples or other written specifications upon Buyer's written request and Seller shall not retain copies or other archives of any such prints, samples, or written specifications. Seller agrees not to circumvent Buyer and attempt to supply customers of Buyer directly with any goods or services which Seller has furnished to Buyer with respect to any such customer.
23. **INSURANCE.** Seller shall obtain insurance to cover any and all risks associated with the performance of its duties under this Purchase Order. Such insurance shall include, without limitation, comprehensive commercial general liability insurance including blanket contractual liability coverage and products-completed operations coverage. Upon Buyer's request, Seller shall provide certificates of insurance to Buyer.
24. **SEVERABILITY.** If any provision of this Purchase Order is held to be unenforceable, the remaining provisions that remain in effect, to be construed as if the unenforceable provisions were originally deleted.
25. **SURVIVAL.** The parties' obligations under this Purchase Order which, by their nature would continue beyond the termination or cancellation of this Purchase Order, shall survive termination or cancellation of this Purchase Order.

BUYER AGREES NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, VETERAN STATUS OR HANDICAP. IN ADDITION, BUYER WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT APPLICANTS ARE EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT WITHOUT REGARD TO THEIR RACE, COLOR, RELIGION, SEX, VETERAN STATUS OR HANDICAP.