



Purchase Order Terms and Conditions

All Purchase Orders issued by Cardinal Fastener & Specialty Co. Inc. will be subject to the terms and conditions herein. No terms or conditions in any acceptance, confirmation, acknowledgement or invoice from Seller, inconsistent with this Purchase Order ("P.O.") shall apply unless approved in writing by Cardinal Fastener & Specialty Co. Inc. Shipment or performance pursuant to this P.O. shall constitute acceptance of the terms and conditions set forth herein and creates a contract that shall be governed in accordance with the provisions of the Uniform Commercial Code and the laws of the State of Ohio. These terms and conditions will be applicable to the current and any subsequent Purchase Orders entered into between Cardinal Fastener & Seller.

Delivery: TIME IS OF THE ESSENCE. Seller will adhere to all shipping instructions contained in this P.O. Seller will submit a complete and accurate packing slip with the shipment.

Warranties: Seller warrants that: (i) all products covered by this P.O. will be merchantable, of good quality and workmanship free from defects, and fit and sufficient for the intended purpose for which required; (ii) all materials supplied under this P.O. are the best of the grade specified and will conform to the description, quality and performance furnished or specified by Cardinal Fastener, or if not furnished or specified, to standard commercial specifications; (iii) no materials or products provided under this P.O. are banned, misbranded or mislabeled and all goods are produced in conformity with all applicable federal, state and local statutes, rules and regulations; and (iv) on the date of completion of service, and for one (1) year thereafter, that all goods, work and services provided under this P.O. shall be good quality, workmanship, free of defects, and shall conform to or be performed in accordance with accepted industry standards. The warranties in this section shall survive delivery of goods or completion of service and shall not be waived by acceptance of products or payment. Such warranties shall cover all losses, including cost and expenses (including reasonable attorney's fees) to which Cardinal Fastener will be exposed by any defects of Seller's material or performance. These warranties will extend to Cardinal Fastener's customers and subsequent end users of such products. Cardinal Fastener will be entitled to all remedies available under applicable law, including without limitation immediate termination of any Purchase Order, repair or replacement of the product, at Cardinal's discretion, with all costs charged back to the Seller and exercise of set-off rights concerning any indebtedness owed to Cardinal by the Seller.

Product Liability Indemnity: Seller agrees to defend, indemnify, assume any liability, save and hold harmless Cardinal Fastener, its agents, subsidiaries, employees, customers, insurers, successors, and assigns from and against any claims, demands, suits, liabilities, penalties, losses, damages, or charges, settlements, judgments, costs, and expenses (including attorney's fees incurred), by any person arising out of or based on any alleged defect, failure, breach of warranty (express or implied), of or connected with any product covered by this P.O. or arising out of any actual or alleged violation by such products of any statute, ordinance, rule or regulation. This indemnity includes without limitation and product safety or quality control recall, corrective action or product retrofit, and any action or proceeding arising out of any of the above occurrences.

Infringement: Seller warrants that all products covered by this P.O. shall be delivered free of the rightful claim of any person by way of infringement, or the like; and seller agrees to defend, indemnify, and save Cardinal Fastener harmless from any and all liability, loss, damage and expense arising from any infringement or alleged infringement on any patent, trademark, copyright, trade secret, or other right, by reason of the purchase, lease, use or resale by Cardinal Fastener of any or all of the articles covered by this P.O.

Insurance: Seller covenants and agrees, as a condition of purchase, at its expense to provide and procure broad form vendors liability insurance coverage. This coverage shall not be canceled without Cardinal Fastener's consent and the policy limits shall be \$1,000,000 per occurrence for bodily injury and property damages with a minimum of \$3,000,000 in the aggregate.

Confidentiality and Ownership of Plans and Drawings: All information, including but not limited to designs, specifications, customer lists, pricing, discounts, rebates, business operations, and other informative materials furnished by Cardinal Fastener and received, obtained by or utilized by Seller in connection with Cardinal Fastener purchases is solely for the use of obtaining such purchases and is deemed confidential, and shall not be disclosed or used without Cardinal Fastener's consent. Title to all tooling, plans, drawings, prints, samples, and all other materials shall remain with Cardinal Fastener, and if requested, shall be promptly returned to Cardinal Fastener. The Seller shall indemnify Cardinal Fastener for any and all damages (including but not limited to attorney fees) resulting from a breach of this confidentiality clause. No license or copyright privileges are granted to Seller under this P.O. and all right are expressly retained by Cardinal Fastener. This provision will be in effect during the term of the Agreement and will continue for a period of two (2) years after termination. The aforementioned requirements shall not apply to information which: a.) is within the public domain; b.) is known to other parties at time of receipt; c.) is rightfully obtained from a third party without breaching the terms of this Agreement.

Limitation of Liability: IN NO EVENT WILL CARDINAL FASTENER BE LIABLE FOR ANY SPECIAL INDIRECT, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR INJURIES TO PERSON OR TO PROPERTY OR LOSS OF PROFITS OR LOSS OF FUTURE BUSINESS OR REPUTATION, WHETHER BASED ON TORT OR BREACH OF CONTRACT OR OTHER BASIS, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Force Majeure: Cardinal Fastener shall not be required to accept or pay for any goods or services covered by this P.O. if prevented from accepting and utilizing the same by reason of any labor dispute, accident, fire, casualty, act of Government, terrorism, or any other cause beyond its control.

Insolvency and Security Interest: Cardinal Fastener may cancel any portion of this purchase order, which remains unfilled after the beginning of any bankruptcy filing, insolvency proceeding or assignment by or against Seller. Seller grants to Cardinal Fastener a security interest in all goods, in its possession or otherwise, which have been manufactured or identified for any Cardinal Fastener order, and Seller agrees to execute, or authorize Cardinal Fastener to execute on its behalf, any documents which are necessary for Cardinal Fastener to perfect its security interest.

Independent Contractor: Seller and Cardinal Fastener will be independent contractors in connection with the performance of work and activities under this P.O. Seller will have no right or authority to bind Cardinal Fastener to any obligations or responsibilities and will not represent or hold itself out as an agent or representative of Cardinal Fastener.

Termination and Survival of Obligations: Cardinal Fastener shall have the right to terminate this P.O. in whole or in part at any time without cause by giving prior written or oral notice to Seller effective upon receipt. All of the obligations, terms, and conditions contained herein, including but limited to, indemnities and the procurement of insurance shall survive termination of this P.O. Seller shall have the right to discontinue sale of products to Cardinal Fastener upon forty-five— (45) days prior written notice, subject to any continuing obligations under this P.O.