



**CLINTON MACHINE**

*An Inductotherm Group Company*

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## TERMS AND CONDITIONS OF PURCHASE

- 1. Acceptance.** Acknowledgment of or commencement of performance on this order constitutes acceptance of all terms and conditions including price, delivery and specifications. Any changes, additions or deletions by Seller must be accepted in writing by Buyer.
- 2. Delivery.** Buyer production schedules are based upon the vendor making delivery by the date due at destination. Buyer therefore reserves the right to cancel this order in whole or in part without penalty if the delivery requirements are not met. Buyer reserves the right to refuse delivery of material that arrives more than fourteen days prior to the date indicated in the "Date Due At Dest."
- 3. Pricing.** Seller's price shall not exceed the price indicated on this order or, in the absence of a price, the price charged on the most recent Buyer order unless otherwise agreed to in writing. Any increase must be approved in writing by Buyer prior to shipment.
- 4. Overshipments.** Overruns and/or overshipments will be accepted and paid for or returned (at Seller's expense) at the discretion of Buyer.
- 5. Payment.** If terms of payment are not indicated on this order or otherwise agreed to, terms of payment are 2%/10 days/net 30 days beginning upon receipt of goods or completion of service, or receipt of invoice by Buyer, whichever is later.
- 6. Warranty.** Seller warrants that all goods and services applicable to this order will be free from defects in material and workmanship, will be fit and sufficient for the purposes intended, and (where applicable) will conform strictly to Buyer's specifications, drawings or samples. These warranties shall survive acceptance of the goods and services. These warranties shall be in addition to any express or implied warranties of additional scope given to Buyer by Seller or implied by law.
- 7. Inspection and Rejection.** Final inspection shall be on Buyer premises (or those of its customers in the case of direct shipments). Material or workmanship deemed not acceptable to Buyer shall be returned to Seller at Seller's expense and replacement or cancellation without obligation at Buyer's discretion.
- 8. Buyer Property.** All material including tooling furnished or specifically paid for by Buyer shall be the property of Buyer and subject to removal at any time at Buyer's discretion without cost or charges of any kind. Buyer material or tooling shall be used by Seller only in filling Buyer orders, kept separate from other materials or tooling and clearly identified as Buyer property.
- 9. Taxes.** Except as may be otherwise provided in this contract, prices include all applicable Federal, State, and local taxes in effect as of the order date. In the case of new or repealed taxes or changes in tax rates the contract pricing will be adjusted accordingly.
- 10. Changes.** Buyer shall have the right to make changes without notice to packing, testing, destination, specifications, designs and/or delivery. Seller shall immediately notify Buyer of any cost changes which must then be agreed upon and accepted in writing by Buyer in the form of a change order.
- 11. Bankruptcy.** In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against the Seller, or in the event of the appointment, with or without the Seller's consent, of an Assignee for the benefit of creditors or of a Receiver, Buyer shall be entitled to elect at its discretion to cancel in whole or in part this order without liability whatsoever.
- 12. Contract.** Buyer and Seller agree that this order and the acceptance thereof shall be a contract made in the State of New Jersey and governed by the laws thereof.
- 13. Work on Buyers' or its Customers' Premises.** If Seller's work under this order involves operations by Seller on the premises of Buyer or one of its customers, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and except to the extent that any such injury is due solely and directly to Buyer's or its customer's negligence, as the case may be, shall indemnify Buyer against all loss which may result in any way from any act or omission of Seller, its agents, employees or sub-contractors, and Seller shall maintain such Public Liability, Property Damage, and Employee's Liability and Compensation Insurance as will protect Buyer from said risks and from any claims under any applicable Workmen's Compensation and Occupational Disease Acts.
- 14. Drawings and Specifications.** Buyer shall at all times have title to all drawings and specifications intended for use in connection with this order. Seller shall use such drawings and specifications only in conjunction with this order and shall not disclose such drawings and specifications to any person, firm or corporation other than Seller's employees, sub-contractors, Government inspectors or agents. Seller shall upon request or upon completion of this order promptly return all drawings and specifications to Buyer.
- 15. Patents.** The Seller agrees to defend, at his own expense, all suits, actions or proceedings brought against Buyer, its dealers, customers and users of Buyer's products for actual or alleged infringement of any United States or foreign patents and further agrees to pay and discharge any and all judgments or decrees which may be rendered in any such suit, action or proceeding.
- 16. Software.** Seller agrees that if the Purchase Order includes any custom software or source codes (the "Software") including any specific applications for Buyer's equipment, Seller agrees to assign all rights, title and interest, including without limitation copyrights for all such Software for any purpose pertaining to Buyer's utilization and implementation, including

the right to contract with others for the installation of additions or complimentary equipment, software or components. Buyer's failure to take possession of the Software and any other documents or services rendered by Seller shall not be construed as a waiver of any of Buyer's rights under this section. Any information provided by Buyer in connection with this Purchase Order is confidential information and will be treated as proprietary information by Seller and its employees indefinitely.

17. **Terms.** This document sets forth the entire agreement between this Buyer and Seller with respect to the sale and purchase of goods or providing of services. ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS WHICH MAY BE CONTAINED IN ANY DOCUMENT PROVIDED BY YOUR COMPANY (SELLER) WHETHER PREVIOUSLY OR SUBSEQUENTLY PROVIDED ARE HEREBY OBJECTED TO AND REJECTED.
18. **Product Recall.** If, for any reason, Buyer is required to recall the merchandise from the market place, the Seller agrees to bear all costs associated with this recall. If the Buyer is required to inform customers of a potential hazard of a product or furnish an item that corrects the problem, the Seller agrees to bear all costs associated with this notification and/or corrective measure.
19. **Information Disclosed to Buyer.** Except as otherwise agreed, all information and ideas disclosed by Seller in connection with this order may be considered by Buyer to be in the public domain. Any notice that Seller desires Buyer to handle certain information or ideas as confidential or proprietary information of Seller must be in writing and specifically acknowledged by an officer of Buyer.
20. **Equal Opportunity.** Any contractor and all covered subcontractors shall abide by the requirements of 41 CFR Section 60-1.4(a)(7), 60-250.4 as amended (41 CFR 61-300) and 60-741.4, if applicable, 29 C.F.R. Part 471, Appendix A to Subpart A, 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment qualified protected veterans, qualified individuals with disabilities and all individuals without regard to race, color, religion, sex, or national origin.
21. **Seller Changes.** Any change in the design, method of manufacture or materials used must have Buyer's approval in writing.
22. **Export Controls.** All information furnished by the Buyer in connection herewith shall at all times be subject to export control laws and regulations of the U.S. including, but not limited to, 10 CFR Part 810 and U.S. Export Administration Regulations. The Seller agrees and gives assurance that no items, equipment, materials, services, technical data, technology, software or other technical information or assistance shall be provided by it, directly or indirectly, unless it is in accordance with applicable U.S. export laws and regulations. The aforesaid obligations shall survive any satisfaction, expiration, completion, termination or discharge of any other contract obligations or this order.
23. **International Purchases.** The Seller and Buyer specifically accept INCO TERMS 2010 and specifically reject the application of CISG (Contracts for the International Sale of Goods) for the purchase of goods or services between the parties.
24. **Business Practice.** Seller shall comply with the United States Foreign Corrupt Practices Act ("FCPA") laws and regulations, the UK Bribery Act, and other applicable anti-corruption laws and regulations. Specifically, Seller warrants that neither it nor any of its employees, agents, or representatives have offered or given, or will offer or give, any payments, property, or thing of value to any person, official, employee or representative of any government or agency or instrumentality thereof, or to any employee, agent, or representative of Buyer, for the purpose of securing any business or influencing such person with respect to the terms, conditions, or performance of any contract, including this Contract, or any amendment or supplement hereto. If Seller breaches the terms of this section, Buyer may immediately terminate this Contract without any liability.
25. **Conflict Minerals.** Buyer has represented to its customers that it is not purchasing conflict minerals from the areas defined by the Dodd-Frank Wall Street Reform and Consumer Protection Act. Accordingly, Seller may not supply tin (cassiterite), tantalum (columbite), tungsten (wolframite), gold and/or any other "conflict mineral" as defined by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, in order to fulfill Buyer's purchase orders, if those minerals have been derived from the Democratic Republic of the Congo (DRC) and surrounding countries, without notifying Buyer of that fact prior to initiating production and obtaining Buyer's prior written approval to initiate production under those circumstances. In those instances where Seller does notify Buyer as noted above and obtains Buyer's prior written approval, Seller must complete Buyer's "Conflict Mineral Survey Form" to the satisfaction of Buyer prior to processing Buyer's purchase order.