In the event the articles, supplies, material and/or services covered by this Purchase Order are intended to be used directly or indirectly in the performance of a contract with the United States Government or with a prime or subcontractor of the said Government, this order shall be deemed to include, in addition to all the terms and conditions set forth herein, all applicable provisions of such contracts, laws, executive orders and regulations of the United States required to be incorporated in this type of contract.

1. ACCEPTANCE - This Purchase Order shall not constitute a binding agreement until accepted by the Seller by acknowledging receipt and acceptance by immediately returning to the Buyer the acknowledgment copy of the Purchase Order duly executed, signed by an authorized representative of the Buyer. Failure to acknowledge the written acceptance of the terms and conditions set forth herein. If the Buyer does not receive the acknowledgment copy of the Purchase Order duly executed by the Seller, any shipment or performance by the Seller hereunder to the Purchase Order, including its terms and conditions, by the Seller. No modification of the Purchase Order shall be binding on the Buyer unless agreed to, in writing, by a duly authorized agent of the Buyer.

2. PRICES - The price indicated on this Purchase Order includes packing and shipping cost unless otherwise specified. The Seller expressly warrants that the prices charged herein are not in excess of prices charged to any other customer for like or similar quantities. Unless otherwise indicated on the face of this Purchase Order, the prices include all Federal, State and local taxes and duties.

3. PACKING AND SHIPPING - Damage to any merchandise not packed to insure proper protection to same, if accepted by the Buyer, will be charged to the Seller. The Seller will not invoice shipment made F.O.B. Sellers plant unless specifically requested to do so by the Buyer.

4. WARRANTY - Seller expressly warrants that all articles, materials and work or services ordered to specification will conform thereto, and to the specifications, drawings or other descriptions furnished by the Buyer, or that if not ordered to specification that they will be fit and sufficient for the purpose intended and that all articles will be of good quality and workmanship and free from defects, including latent. This warranty shall run to the Buyer and/or its successors, assigns, customers and users of its products, against any liability, loss, damage or expense which, whether or not due and payable, by the Buyer to the Buyer under this agreement or otherwise, against amounts which are then or may thereafter become due and payable under this Purchase Order or any other Purchase Order.

5. INSPECTION - All articles, supplies and materials to be furnished under this Purchase Order shall be subject to inspection and test by the Buyer and/or the Government to the extent bearing Government source inspection approval must accompany each shipment. If Government source inspection and test shall be performed in such manner as not to delay the work unduly. If the face of this Purchase Order indicates that Government source inspection is required, a document bearing Government source inspection approval must accompany each shipment. If Government source inspection and test shall be performed in such manner as not to delay the work unduly, where the Seller delivers material not in accordance with the warranty contained herein, the Buyer shall have the option of canceling this Purchase Order either in whole or in part, or in the event of the failure of the Buyer to cancel this Purchase Order within one week after first obtaining notice that such material is defective, the Buyer will have the right to make any payment which may be due hereunder to the Seller without incurring any obligation to such assignee.

6. DELIVERY - The date or dates of delivery herein specified must be strictly adhered to, since time is of the essence. The Buyer may refuse any delivery if prevented by strikes, casualties or other causes beyond the control of the Seller. If the Seller fails to deliver all or any portion of the material or supplies ordered within the time specified, or any extension thereof agreed to by the Buyer in writing, the Buyer may terminate by written notice the part of the Seller's order not then being delivered of any such anticipated delay within one week after first obtaining notice that such delay may occur. The Buyer may at any time, place a hold or stop order with respect to any deliveries to be effected under this Purchase Order. In such event, the delivery schedule will be extended to reflect any delay in delivery solely attributable to such order upon written request therefore by the Seller within 30 days after the placing of such order by the Buyer. No cost consequences, however, may be imposed upon the Buyer as a result thereof.

8. CHANGES - The Buyer may, at any time, by a written order and without notice to any surety or assignee of the Seller, change the extent amount or quantity of the work covered by this Purchase Order, or make changes in, or additions, to the drawings, specifications. If such changes cause a material increase or decrease in the amount of character for such work or in the time required for its performance, an equitable adjustment of the prices and/or delivery schedule applicable to this Purchase Order shall be made. Should any such change or an extension of the deliveries by the Seller under this clause be asserted by the Seller within thirty (30) days from the date on which the change is ordered and shall set forth the amount involved together with the reasons for the Buyer's claim for adjustment. The Buyer will notify the Seller of the Buyer's claim for adjustment and the Buyer shall decide whether to accept or reject the Buyer's claim. The Seller's failure to notify the Buyer of the Buyer's claim for adjustment and the Buyer shall decide whether to accept or reject the Buyer's claim. The Buyer shall justify the said claim, provided that the Buyer may consider and act upon any such claim at any time prior to the date of final settlement of the Purchase Order if the Buyer determines that the facies substantial or material change to the extent that the change will cause the Seller to exceed the Buyer from proceeding with performing the Purchase Order as changed.

9. INDEMNITY - The Seller agrees to protect, indemnify and hold harmless the Buyer, its successors, assigns, customers and users of its products, against any liability, loss, damage or expense which, whether or not due and payable, by the Seller to the Buyer under this agreement or otherwise, against amounts which are then or may thereafter become due and payable under this Purchase Order or any other Purchase Order.

10. SUBCONTRACTS - No subcontract shall be made by the Seller with any other party for furnishing any of the completed or substantially completed materials, articles, spare parts or work herein referred to, without the written consent of the Buyer. For the purpose of this clause, the term "subcontracts" includes only contracts for the production or work upon an item, component, or assembly manufactured according to Government specifications of the Buyer and does not include (1) any purchase of a finished raw material, (2) any purchase of supplies or services for the general operation of the Seller's plant or (4) any purchase from a parent, subsidiary or affiliate of the Seller.

11. ASSIGNMENT - None of the monies due or to become due for any of the work to be performed hereunder shall be assigned without the written consent of the Buyer having been obtained beforehand, and the Buyer shall not be bound by any assignment made without such consent and shall have the right to make any payment which may be due hereunder to the Seller without incurring any obligation to such assignee.

12. SETOFFS - The Buyer shall have the right at any time to set off any amounts now or hereafter due and payable, by the Seller to the Buyer under this agreement or otherwise, against amounts which are then or may thereafter become due and payable under this Purchase Order or any other Purchase Order.

13. INSOLVENCY - The Buyer reserves the right to cancel this Purchase Order at no cost to the Buyer by notice thereof to the Seller if the Seller takes or becomes subject to any proceeding based on insolvency or reorganization.

14. DISPUTES - Except as may be otherwise provided herein, any dispute arising under this Purchase Order, which is not disposed of by mutual agreement, shall be submitted to arbitration under the rules of the American Arbitration Association and judgment upon any resulting award therefrom may be entered in any court of competent jurisdiction.

15. BUYER FURNISHED MATERIAL - All tools, articles or property furnished by the Buyer to the Seller hereunder for use in or connection with the performance of this Purchase Order shall be retained and utilized by the Seller at the Seller's risk subject to the Buyer's examination and return to the Buyer on demand at the Seller's expense in as good condition as when received and in the amount furnished by the Buyer. Where the Seller delivers material not in accordance with the warranty contained herein, the Buyer shall have the right to make any payment which may be due hereunder to the Seller without incurring any obligation to such assignee.

16. DAMAGE - The Seller will indemnify the Buyer against and save it harmless and defend it from all liability or loss, damage or injury to persons or property in any manner arising out of or incident to the performance of this Purchase Order including Seller's personnel entering Buyer's premises.

17. WAIVER - The waiver of a breach of any provision of this Purchase Order shall not constitute waiver of any other breach or of such provision.

18. REWORK - In the event rework is necessary, due to non-acceptance to specifications, and only through the fault of the Seller, Buyer, at its discretion, may rework same and charge back to the Seller the Buyer's incurred in such rework.

19. ADDITIONAL REQUIREMENTS - If this Purchase Order is for fixed price under a U.S. Government contract, the following clauses of the Federal Acquisition Regulations (FAR) with applicable clauses of the DFARS, if any, incorporated by reference and made part of this Order.

As used in the above clauses, the word "Contractor" shall be deemed to mean the word "Seller" or "the Government" shall be deemed to mean the "Purchase Order'.

21. BUYER RIGHT OF ENTRY - Seller shall provide Buyer, Buyer representative and/or Buyer's customers to access his facility and to his sub-tier facilities where work is performed or scheduled to be performed under this Purchase Order. Seller shall also provide to the Buyer, upon request, all applicable records thereof without any additional cost above the Purchase Order. The Buyer shall have the right to perform audits, inspections, surveillance and tests as required, with prior coordination with the Seller.