



LSSC Purchase Order Terms

1. Acceptance. This Order is Buyer's offer to Vendor, and acceptance is strictly limited to its terms. Buyer shall not be bound by and specifically objects to any term or condition whatsoever which is different from or in addition to the provisions of the Order, whether or not such term or condition will materially alter the Order. Vendor commencement of performance or the acceptance of the Order in any manner shall conclusively evidence agreement to the Order as written. "Order" means this purchase order, including all terms and conditions on the face and reverse side and all specifications issued hereunder and all drawings, models, and samples furnished with it. "Goods" means those articles, materials, drawings, data, or other property or services that are the subject of the Order. "Vendor" also includes Vendor's principal if Vendor is acting as broker or agent.

2. Routing, Risk of Loss, Shipments and Delays. (a) Time is of the essence in the performance of the Order by Vendor. (b) Buyer may select mode of transportation, routing of, and carrier for the Goods. Vendor shall be liable for excess transportation costs resulting from deviation from Buyer's instructions. (c) Goods shall be delivered by Vendor to Buyer's business from which Goods are ordered, unless otherwise specified. Risk of loss and title to Goods shall remain with Vendor until after goods are delivered and all nonconformities are cured. (d) Buyer's weight and count are conclusive, and Buyer shall have no liability for payment for goods delivered in excess of the quantity ordered. Excess Goods may be returned to Vendor at Vendor expense. (e) Vendor waives any right to modify its delivery obligations by the allocation of production and delivery among its customers as set forth in Section 2-615 of the Uniform Commercial Code. (f) Vendor shall not deliver any Goods in advance of requested delivery schedule. If Goods are received more than fifteen (15) days ahead of schedule, Buyer reserves the right to return the goods at Vendor's expense or keep the Goods and make payments as if the delivery was made per the delivery schedule. The delivery dates contained herein are the dates that the Goods are required on the dock at the Buyer's facility.

3. Delivery, Packing and Crating. Goods shall be suitably prepared for shipment to secure lowest transportation rates (unless a premium method is specified on the face hereof) and comply with carrier regulations. No charges are allowed for packing, crating, freight express, or cartage unless authorized by Buyer.

4. Inspection of Goods, Rejection of Goods and Revocation of Acceptance. After receipt of Goods, Buyer shall have a reasonable time, but not less than seven days, in which to inspect and accept or reject Goods. Payment for Goods shall not constitute acceptance. Buyer may reject Goods not conforming to the Order. For all rejected Goods, Vendor shall provide Buyer, at Buyer's option, a full refund for or replacement of the Goods, at Vendor's risk and expense including transportation costs both ways. Buyer may, at its option, purchase substitute Goods in lieu of rejected Goods, and Vendor shall be liable for the difference in costs, less expenses saved by Buyer. Acceptance of part of the Goods shall not bind Buyer to accept the remainder. Acceptance of all or part of Goods shall not deprive Buyer of the right to revoke acceptance and return any part of the Goods or the right to make a claim for damages because of the failure of the Goods to conform to the Order. Buyer shall not be liable to Vendor for failure to accept Goods for reasons beyond Buyer's reasonable control.

5. Warranties. Vendor warrants that all Goods delivered shall strictly conform to the Order, shall be of good design, material, and workmanship, free from defects, merchantable and fit for their intended purpose, and shall meet applicable industrial and governmental safety and environmental standards. Vendor warrants that

services, if any, performed in conjunction with the Order will be performed in a workmanlike manner. Vendor further warrants that Vendor will have title to and the right to sell such Goods at the time of delivery, and that all such Goods shall be new (unless otherwise specified in the Order) at the time of delivery. Vendor shall also transfer to Buyer the warranty on goods and services incorporated into Goods acquired by the Order. All warranties shall survive any inspections, delivery, acceptance or payment by Buyer, and shall run to Buyer, its successors, assigns, customers and users of Goods. Repairs or replacements of the Goods shall be made by the Vendor, without cost to Buyer, at any time within the warranty period of the Goods, when the Goods are defective.

6. Indemnification. Vendor shall defend, indemnify and save harmless Buyer from and against any liability, including reasonable cost of settlement, loss, cost, damage, claims, fines, civil and criminal penalties, or expense, including reasonable attorneys' fees, arising from: (a) any claims which may be made against Buyer by reason of injury or death to person, or damage to property, claimed to have been suffered by any person or other entity including but not limited to Vendor employees, agents, subcontractors, and subcontractor's employees, and alleged to have been caused by defective Goods furnished hereunder or by any act or omission of Vendor or any subcontractor of Vendor or any of their employees or agents; (b) any damage to Buyer's property, including property occupied or used by, or in the care, custody or control of Vendor, alleged to have been caused by defective Goods supplied by Vendor or any act or omission of Vendor, or any subcontractor of Vendor or any of their employees or agents; (c) any claims resulting from an actual or alleged breach of warranty, express or implied, or other actual or alleged breach of the Order by Vendor; and (d) any claims resulting directly or indirectly out of the failure of Vendor to comply with the provisions of paragraphs 8 and 9 of this agreement.

7. Infringement. Vendor shall defend Buyer against all claims and proceedings based upon actual or alleged infringement of any patent or copyright by any Goods, or based upon actual or alleged misappropriation or wrongful use of any proprietary or confidential information involving any Goods, and Vendor shall hold Buyer harmless from any resulting losses, liabilities, damages, costs, attorneys' fees and expenses. Vendor shall be notified of such claims or proceedings with reasonable promptness. Vendor's obligations under this clause shall not apply to the extent any Goods are manufactured pursuant to detailed designs furnished by Buyer, or to any infringement arising from the use or sale of Goods in combination with items not furnished by Vendor is such infringement would not have occurred from the use or sale of such Goods solely for the purpose for which they were designed or delivered to the Buyer.

8. Insurance. Vendor will maintain insurance coverage at its own expense in the following minimum amounts: (a) Worker's Compensation - statutory limits for the state or states in which the work is to be performed; (b) Employer's Liability - \$1,000,000; (c) Commercial General Liability - \$1,000,000

combined single limit per occurrence including Premises and Operations, Independent Contractors, Contractual Liability and Products and Completed Operations coverages; and (d) Automobile Liability (including owned, hired and non-owned vehicles) - \$1,000,000 combined single limit per occurrence. Buyer shall be named as an additional insured party under each of these policies with the exception of the policies covering Worker's Compensation and Automobile Liability. Upon request, Vendor shall furnish to Buyer a certificate of insurance evidencing such coverage.

9. Compliance with Statutes and Governmental Regulations. Vendor warrants that in the performance of work under this Order, it has complied, or will comply, with all applicable federal, state, and local laws and ordinances and all lawful orders, rules and regulations thereunder, including, but not limited to, the Fair Labor Standards Act of 1938 as amended, the Walsh-Healy Public Contracts Act as amended, the Copeland Anti Kickback Act as amended, the Occupational Safety and Health Act of 1970 as amended, and Executive Order 11246 as amended, or Equal Employment Opportunity. If this order is for an amount in excess of \$100,000 and if Vendor is not otherwise exempt, then Vendor stipulates the following: (a) that none of the Vendor's facilities is listed on the Environmental Protection Agency List of Violating Facilities pursuant to 40 CFR 15.20; (b) that Vendor agrees to comply with all the requirements of Section 114 of the Clean Air Act, including all related regulations and guidelines; and (c) that Vendor agrees that the Order is expressly conditional on the Vendor promptly notifying Buyer in the event Vendor receives any communication from the Environmental Protection Agency indicating that a facility to be utilized in the performance of the Order is being considered for listing on the EPA list of Violating Facilities. Where applicable, Vendor and its sub-tiers shall comply with the requirements of Clause 7.4.2 (a-j) of AS9100:2004 and ANSI standard Z540-1 of ISO 10012-1.

10. Cancellation. The Order may be canceled by Buyer in whole or in part by oral notification followed by written confirmation to Vendor. Cancellation shall be without liability, damages, or penalty to Buyer.

11. Assignment. None of the amounts due or to become due, nor any of the work to be performed under the Order, shall be assigned or subcontracted by Vendor without Buyer's written consent.

12. Buyer's Property, Confidentiality. (a) Buyer retains title to all information and materials furnished to Vendor to facilitate performance under the Order. Such information and materials shall be (i) treated as Buyer's confidential information, (ii) used exclusively by Vendor to complete the Order, and (iii) returned to Buyer at its direction or upon completion, termination, or cancellation of the Order, along with copies or reproductions, unless otherwise agreed in writing by Buyer. (b) All property of Buyer furnished to Vendor for performance of work under the Order shall remain property of Buyer and shall be segregated from Vendor's property and be individually marked as Buyer's property. Such property shall be exclusively for performance under the Order and shall be returned to Buyer at its written request, or upon termination, cancellation or Order completion. (c) Goods made in accordance with Buyer's specifications or drawings shall not be furnished or quoted to any other entity. (d) Title to drawings associated with the manufacture of Goods ordered by Buyer will be assigned to Buyer upon request. (e) Buyer reserves the right to audit Vendor's compliance with the terms and conditions of this agreement.

13. Taxes. Except with respect to the direct pay permit for certain sales and use taxes within the Commonwealth of Pennsylvania, Vendor shall be responsible for the payment of all other taxes, fees, and duties including, but not limited to, income, franchise, or business privilege tax.

14. Buyer's Right to Make Changes. Buyer may at any time, by written notice to Vendor, make changes in the drawings, specifications, quantities, schedules and shipping instructions under the Order. If any such change increases or decreases the cost of performing the Order, or the time required for its performance, an equitable adjustment in prices and/or schedules shall be made provided that any claim by Vendor for such adjustment shall be presented in writing to Buyer within (20) days from the date the change is ordered by Buyer.

15. Damages. Buyer may deduct from the price due under this or any other agreement all or any part of any damages resulting from any breach of this agreement, including but not limited to damages incurred as a result of late delivery, rework, return, removal, replacement, correction, reinstallation, or rejection of nonconforming goods or service. Buyer will not deduct damages pursuant to this paragraph before (i) notifying Vendor of Buyer's intent to do so and (ii) providing Vendor with documentation reasonably supporting the amount of the deduction.

16. Cumulative Remedies. All of Buyer's rights and remedies under the Order or at law are cumulative and non-exclusive.

17. Entire Agreement. Unless otherwise stated on the face hereof, the Order constitutes the entire agreement between the parties with respect to the subject matter and supersedes all previous proposals (both oral and written), negotiations, representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification or addition to the Order shall be binding unless expressly agreed in writing by a duly authorized representative of Buyer. The failure of Buyer to insist on performance of any provision of this agreement shall not be construed as a waiver of either that provision or any other provision in any later instance.

18. Governing Law. This agreement shall be deemed to have been made in, and shall be construed pursuant to the laws of the Commonwealth of Pennsylvania.