- 1. TERMS. This purchase order is an offer by Buyer for the purchase of the goods specified by this purchase order (the "Goods") from Seller in accordance with and subject to these terms and conditions of the purchase order (together, the "Purchase Order"). Buyer may withdraw the Purchase Order at any time before it is accepted by Seller. This Purchase Order, together with any documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to the Purchase Order, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the Goods. Buyer specifically rejects any additional or different terms or the deletion of any terms by Seller unless such change is set forth in a writing drafted specifically to modify these Terms and which is executed by a duly authorized officer of Buyer. This Purchase Order expressly excludes any of Seller's general terms and conditions of sale or any other document issued by Seller in connection with this Purchase Order.
- 2. PRICE. The Price of the Goods is that stated in this Purchase Order. The Price includes the delivery of all Goods to the Delivery Location and all packaging, transportation costs, insurance, customs duties and fees, and applicable taxes, including, all sales, use or excise taxes. If no price is included in the Purchase Order or unit pricing is used, the Price shall be the price set out in Seller's pricing quote and shall remain valid for the duration of the Purchase Order.
- 3. PAYMENT. Seller shall issue an invoice to Buyer on or any time after the completion of delivery. Buyer shall pay all properly invoiced amounts due to Seller within forty-five (45) days after Buyer's receipt of Seller's invoice, except for any amounts disputed by Buyer in good faith. Buyer, however, shall consider early payment where discounts for prompt payment are specified either in the purchase order/contract or as stated on Seller's invoice. Early payment discounts shall be calculated from the date of Buyer's actual receipt of Seller's invoice. Buyer has no obligation to pay any invoice received after written termination of this Purchase Order for Goods not delivered or any invoice received six (6) months after the delivery of Goods. Invoices applied to this Purchase Order shall include a detailed (non-summarized) bill of lading with unit and total pricing. All freight fees shall be invoiced as a line item cost and separate from handling fees. In the event of any payment disputes, Seller shall continue performing its obligations under the Purchase Order notwithstanding such dispute. Seller shall promptly furnish all lien waivers, affidavits, and other documents necessary to release and waive all liens and claims arising out of the furnishing of the Goods upon payment by Buyer. Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller.
- 4. **RELEASE OF GOODS.** Goods shall be furnished by Seller by the Delivery Date(s) set forth in the Purchase Order. If no Delivery Dates(s) is specified, then Buyer shall separately provide release and delivery instructions. Buyer shall have the right to increase or reduce the quantities noted in this Purchase Order and to issue requests for partial release of Goods.
- 5. SELLER'S RESPONSIBILITIES. Seller agrees to furnish all Goods within the quantities and on the Delivery Date(s) specified in this Purchase Order or as directed by Buyer. If Seller fails to deliver the Goods on the Delivery Date(s), Buyer may terminate all or any part of the Purchase Order without notice and without cancellation charges and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller's failure to deliver the Goods on the Delivery Date(s). Buyer's exercise of its right of cancellation shall not be deemed a waiver of any other right provided to the Buyer or provided by law for any delay or failure to deliver Goods as specified, including the right to purchase similar goods from any other source and hold Seller accountable for any expenses, losses, or damages. The specific quantity ordered must be delivered in full and not be changed without Buyer's consent in writing. Any unauthorized quantity is subject to Buyer's rejection and return at Seller's expense. Buyer has the right to return any Goods delivered prior to the Delivery Date at Seller's expense and Seller shall redeliver such Goods on the Delivery Date.
- 6. **DELIVERY.** Seller shall deliver the Goods in the quantities and on the Delivery Dates specified to the address specified in between the parties at time of release, each known as the "Delivery Location." All Goods must be suitably packaged and prepared for shipment to withstand normal transportation and stocking functions. Timely delivery of the Goods is of the essence. Buyer reserves the right to direct shipments under advanced notice to a third party such as a rigger or Seller's facility. Seller shall give written notice of shipment if the Goods are delivered to a carrier for transportation. Seller shall provide to Buyer all shipping documents, including commercial invoice, packing lists, and other documents as necessary to release the Goods to Buyer at time the Seller delivers the Goods. This Purchase Order number must appear on all shipping documents, shipping labels, invoices, correspondence, and other documents pertaining to the Purchase Order.
- 7. <u>TITLE AND RISK OF LOSS</u>. Seller shall be responsible for injury or damage to persons, property, or the Goods being delivered whether resulting from delivery by Seller or Seller's carrier. Seller bears all risk of loss or damage to the Goods until acceptance of the Goods at the Delivery Location by Buyer, subject to the Buyer's right of inspection and rejection. Title to the Goods passes to the Buyer only upon final inspection and acceptance by the Buyer.
- 8. WARRANTY. Seller warrants to Buyer that for a period of not less than twelve (12) months from Buyer's acceptance of the Goods, OR for such longer warranty period set forth in the incorporated specifications or requirements specified by Buyer, all Goods will: (a) be free from any defects in workmanship, material, and design; (b) conform to applicable specifications, drawings, designs, samples, and other requirements specified by Buyer; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests, or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance, or payment of or for the Goods by Buyer. These warranties are cumulative and in addition to any other warranty provided by the manufacturer, in law or in equity. If Buyer gives Seller notice of noncompliance with this Section, Seller shall, at its own cost and expense, promptly replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Seller and the delivery of repaired or replacement Goods to Buyer. These warranty obligations shall survive termination of this Purchase Order and shall not terminate upon acceptance of the Goods or payment for the Goods. Where Manufacturer's standard warranties terms differ, the Seller shall provide all additional coverage to ensure compliance with the manufacturer's warranty terms. These warranty obligations shall survive termination of this Purchase Order and shall not terminate upon acceptance of the Goods or payment for the Goods.

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- 9. INSPECTION AND NONCONFORMING GOODS. Buyer has the right to inspect the Goods on or after the Delivery Date. Buyer, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If Buyer rejects any portion of the Goods, Buyer has the right to exercise any remedies it may have at law and to: (a) rescind the Order in its entirety; (b) accept the Goods at a reasonably reduced price; or (c) reject the Goods and require replacement of the rejected Goods. If Buyer requires replacement of the Goods, Seller shall, at its expense, promptly replace the nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement Goods. If Seller fails to timely deliver replacement Goods, Buyer may replace them with goods from a third party and charge Seller the cost thereof and terminate this Purchase Order. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Seller's obligations under the Purchase Order, and Buyer shall have the right to conduct further inspections after Seller has carried out its remedial actions. Payment for Goods prior to inspection shall not constitute acceptance thereof and is without prejudice to any and all claims the Buyer may have against Seller.
- 10. **TERMINATION**. Buyer may terminate or suspend this Purchase Order, in full or partial, with proper notice to Seller at any time without penalty. Buyer's liability for termination shall only consist of payment on delivered and accepted Goods. Buyer may return saleable Goods for full credit without incurring restocking fees. Restock fees are allowed only for Goods delivered and pre-designated by Seller as "special order" on this Purchase Order. Return of saleable Goods shall not be restricted to less than twelve (12) months from date of delivery.
- 11. INDEMNIFICATION. Seller shall defend, indemnify, and hold harmless Buyer, its affiliates, successors, or assigns and their respective directors, officers, shareholders, and employees and Buyer's customers (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost, or expense, including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "Losses") arising out of or in any way connected with the Goods, Seller's negligence, or Seller's willful misconduct or breach of the Purchase Order. Seller also shall, at its expense, defend, indemnify, and hold harmless Buyer and any Indemnitee against any and all Losses arising out of or in connection with any claim that Buyer's or Indemnitee's use or possession of the Goods infringes or misappropriates the patent, copyright, trade secret, or other intellectual property right of any third party. Should Buyer's use, or use by its subcontractors or customers, of any Goods purchased from Seller be enjoined, be threatened by injunction, or be the subject of any legal proceeding for alleged infringement, Seller shall, at its sole cost and expense, do one or more of the following: (a) substitute fully equivalent non-infringing Goods; (b) modify the Goods so that they no longer infringe but remain fully equivalent in functionality; (c) obtain for Buyer, its distributors, subcontractors, and customers the right to continue using the Goods; or (d) if none of the foregoing is possible, refund all amounts paid for the infringing Goods upon return of such Goods to Seller, shipping at Seller's expense. These duties of indemnification shall survive termination of this Purchase Order and shall not terminate upon acceptance of the Goods or payment for the Goods.
- 12. <u>ASSIGNMENT</u>. Seller shall not assign, transfer, delegate, or subcontract any of its rights or obligations under the Purchase Order without the prior written consent of Buyer.
- 13. MISCELLANEOUS. This Purchase Order shall be construed according to the laws of the Commonwealth of Virginia. Buyer and Seller agree to the courts of Henrico County, Virginia as the jurisdiction and venue for any litigation which may arise between the parties under this Purchase Order or relating to the Goods. The prevailing party in any action arising from this Agreement shall be entitled, in addition to all other remedies, to recover from the other its reasonable attorney's fees and costs. Waiver of any breach or failure to enforce any term of this Agreement shall not be deemed a waiver of any breach or right to enforce which may thereafter occur. The rights and remedies under this Purchase Order are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. If any term or provision of this Purchase Order is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 14. MANDATORY CLAUSES REQUIRED UNDER GOVERNMENT CONTRACTS OR SUBCONTRACTS. If a governmental contract number is shown on the face of this Purchase Order, clauses contained in the current issue of the Federal Acquisition Regulations (FAR) and supplements thereto, which the government makes mandatory for a contractor under a government contract to include in its subcontracts thereunder, will apply to this Purchase Order. Seller assumes all risks associated with providing Goods sold that are compliant with these regulations.
- 15. COMPLIANCE WITH LAW AND EQUAL OPPORTUNITY CLAUSE. Seller is in compliance with and shall comply with all applicable laws, regulations, and ordinances. Seller has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under the Purchase Order. Seller shall comply with all export and import laws of all countries involved in the sale of the Goods. This Purchase Order is subject to the provisions contained in Executive Order #11246 and any subsequent or related regulations regarding equal opportunity of employment. Further, the affirmative action clauses set forth in 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) relating to qualified protected veterans and individuals with disabilities are incorporated herein by specific reference. "This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 741.5(a). These regulations prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities."

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