

# Contour Machining Inc.

## STANDARD PURCHASE ORDER TERMS AND CONDITIONS

1. **ACCEPTANCE AND TERMS AND CONDITIONS:** Seller accepts this Order and any amendments by signing the acceptance copy of the Order and returning it to Purchaser promptly at [ws@contourmachining.net](mailto:ws@contourmachining.net). Even without such written acknowledgment, Seller's full or partial performance under this Order will constitute acceptance of these Terms. By acceptance of this Order, Seller agrees to be bound by, and to comply with all these Terms, which include any supplements to it, and all specifications and other documents referred to in this Order. These Terms apply to everything listed in this Order and constitute Purchaser's offer to Seller, which Purchaser may revoke at any time prior to Seller's acceptance. This Order is not an acceptance by Purchaser of any offer to sell, any quotation, or any proposal. Reference in this Order to any such offer to sell, quotation, or proposal will not constitute a modification of any of these Terms. Terms and conditions different from or in addition to these Terms, whether contained in any acknowledgment of this Order, or with delivery of any goods or services under this Order, or otherwise, will not be binding on Purchaser, whether or not they would materially alter this Order, and Purchaser hereby rejects them. These Terms may be modified only by a written document signed by duly authorized representatives of Purchaser and Seller.
  
2. **INVOICES, PAYMENT, AND TAXES:**
  - (a) Invoices shall be rendered on completion of services or delivery of goods and shall contain the Purchase Order Number, item number, description of goods or services, quantities, unit prices, date(s) rendered and total purchase price. Each invoice must refer to one, and only one, purchase order.
  - (b) Payment shall be made on the terms of net 2%10 days, net 30 days from the date of invoice. Cash discount periods shall be computed from either the date of actual delivery of the goods or the date an acceptable invoice is received, whichever is later. All claims for money due or to become due from Purchaser shall be subject to deduction by Purchaser for any setoff or counterclaim arising out of this or any other of Purchaser's Orders with Seller.
  - (c) Seller recognizes that Purchaser will be treated as a tax-exempt entity, and Purchaser will provide Seller with its exemption certificate on request. All invoices of Seller to Purchaser shall exclude taxes that are excludable under Purchaser's tax-exempt status.
  
3. **Packing and Shipment:** Shipment shall be in accordance with instructions specified in this order and all material shall be suitably packed to secure lowest transportation costs and in accordance with the requirements of common carriers. No charge shall be made for boxing, crating, packing, storage, drayage, or other costs unless expressly incorporated on the face of this order. Buyer's order numbers must be plainly marked on all invoices, packages, bills of lading and shipping orders. Packing list shall accompany each box or package shipment showing Buyer's purchase order number and description of material. Buyer's count or weight shall be final and conclusive on shipments not accompanied by packing lists. Goods shall be packed to assure against damage from weather or transportation. Shipments comprised in whole or in part, of hazardous materials shall comply with the applicable laws and regulations in the code of Federal Regulations, Title 49, and PL 93.633. Invoices shall be mailed in duplicate to the attention of Buyer's Accounting Department immediately after each shipment. For shipments where the Buyer is responsible for payment of freight charges, the Seller shall not insure the shipment while in transit.
  
4. **Delivery:** Delivery shall be made strictly in accordance with the terms of this contract. Seller shall be excused for default hereunder only if and to the extent that failure to so deliver results from causes beyond its control and without its, or its subcontractors, fault or negligence, and provided prompt written notice thereto is given Buyer, and that such default is promptly cured by the seller.
  
5. **Warranty:** Seller warrants that all material and work covered by this contract will conform to applicable specifications, drawings, samples and/or other descriptions given, to be free from defects in material or workmanship and suitable for the purposes intended by Buyer as disclosed to Seller. Unless the materials or articles covered by this contract are manufactured completely to detailed designs furnished by buyer, Seller additionally warrants the design to be free from defects. No approval of any design by Buyer furnished by Seller shall constitute a waiver by Buyer of Seller's obligations hereunder. The warranties of Seller, together with its service warranties and guarantees, shall run to Buyer and/or its customers, and shall survive inspections, acceptance and payment. In addition to, and without waiving any other rights Buyer may have at law or in equity, Buyer may, for breach of any warranty, at its election and direction, and at Seller's expense, require Seller to promptly repair or replace the defective goods, articles, materials or services, or return the same for credit. If Seller is instructed to repair or replace and fails to promptly accomplish the same, Buyer may, in addition to the foregoing, by contract or otherwise, replace or correct the same and charge Seller its costs thereby incurred, or terminate this contract for default.
  
6. **Prices:** Seller by acknowledging this contract represents that its prices as stated herein are no greater than those charged any other of its customers for the same products or services in like quantities, and shall include all applicable Federal, State, and Local taxes.
  
7. **Inspection:** All supplies and services covered by this contract shall be subject to final inspection and test by Buyer at destination designed herein notwithstanding prior payments, or inspection at source, it being expressly agreed that payment shall not constitute final acceptance, if inspection is required at Seller's facility, Seller shall provide, without additional cost, all reasonable facilities therefore, and for the protection of Buyer's or its customers personnel while on Seller's premises.

8. **Changes:** Buyer reserves the right, at any time, by written or telegraphic notice to suspend performance by Seller hereunder, whether in whole or in part, to make changes in the drawings, specifications or shipping instructions. Any difference in price or time for performance resulting from such change, whether by way of increase or decrease, will be equitably adjusted and the contract modified in writing accordingly; provided any such claim by Seller, and the amount thereof, shall be made in writing with 20 days from receipt by Seller of notice of change or be conclusively deemed waived, provided further that nothing contained herein shall excuse Seller from proceeding with its performance under the contract as changed.
9. **Subcontracting:** Seller shall not subcontract for the procurement of any item covered by this contract in completed or substantially completed form without first securing the written approval by Buyer.
10. **Assignment:** Any and all amounts paid or to be paid hereunder are subject to setoff or recoupment for any present or future claim or claims which Buyer may have against Seller whether under this contract or otherwise. Seller agrees that Seller will neither assign its rights nor delegate its duties, under this contract without the prior written consent of Buyer.  
Seller shall furnish Buyer with two signed copies of any assignment which is not prohibited by the clause or which is consented to by Buyer. Payment to an assignee in accordance with any such assignment shall be subject to setoff or recoupment for any present or future claim or claims of any nature which Buyer may have against Seller. Buyer reserves the right to make, without notice to the assignee, direct settlements and/or adjustments in price with Seller under the terms of this contract notwithstanding any assignment of monies due or to become due hereunder.
11. **Compliance with Applicable Laws:** Seller agrees to observe and comply with all applicable Federal, State and Local laws, rules and regulations in its performance of this contract.
12. **Special Tools:** If the price stated on the face of this contract includes separately jigs, dies, fixtures, tools, patterns, drawings, specifications, special test equipment or other special equipment and manufacturing aids used in the manufacture of the articles, such items shall become the property of Buyer immediately upon their acquisition by Seller and Seller will identify such items as the property of Buyer as Buyer directs. Seller shall maintain such items in good condition and repair and from time to time replaced by Seller, all without expense to Buyer. Upon completion or termination of this contract such items will be delivered by Seller to Buyer or dispose of such items as Buyer may direct.
- **CONFIDENTIAL OR PROPRIETARY INFORMATION:** Notwithstanding any document marking to the contrary, any knowledge or information that the Seller has disclosed or may later disclose to Purchaser, and which in any way relates to the goods or services covered by this Order will not, unless otherwise specifically agreed to in writing by Purchaser, be deemed to be confidential or proprietary information, and will be acquired by Purchaser, free from any restrictions. Seller will not transmit to Purchaser any sensitive personal information, including, but not limited to, identified health information, financial information, social security numbers, biometrics or other personally identified or identifiable information of like sensitivity. Seller will keep confidential any technical, process, economic, or other information derived from drawings, specifications and other data furnished by Purchaser in connection with this Order (in whatever form or format) and will not divulge, export, or use, directly or indirectly, such information for the benefit of any other party without obtaining Purchaser's prior written consent. Except as required for the efficient performance of this Order, Seller will not use such information or make copies or permit copies to be made of such drawings, specifications, or other data without the prior written consent of Purchaser. Upon completion or termination of this Order, Seller will promptly return to Purchaser all materials incorporating any such information and any copies, except for one record copy. Seller agrees that no acknowledgment or other information concerning this Order and the goods or services provided will be made public by Seller without the prior written agreement of Purchaser. Seller shall also adhere to Cyber Security Controls contained in Purchaser's PURCHASE ORDER QUALITY ASSURANCE requirements and Quality Clauses Document.
13. **Waiver:** No waiver by Buyer, whether express or implied, of any of the terms and conditions of this contract, shall be or be construed to be a continuing waiver, or deprive Buyer of the right to reassert or rely upon any such items or conditions thereafter.

14. **Data:** Seller agrees not to use, reproduce or disclose any data, designs, patterns, or tools or equipment or any other information supplied to it by Buyer hereunder, without express written permission by an authorized representative of Buyer, except in the performance of work or services to be performed for Buyer. Seller further agrees to the aforesaid conditions with regard to any data or other matter generated by Seller in the
15. **Termination:** Time is of the essence in the performance of this contract. Buyer shall have the right by written or telegraphic notice to terminate this contract for convenience in whole or from time to time in part. In such event and provided the items ordered are not standard commercial items, Buyer's sole and maximum liability shall be limited to payment (1) for completed and delivered items at the contract price, and (2) of actual expenditure incurred by Seller, if any, plus a reasonable profit. Buyer shall have the right to delivery of items partially fabricated and to all unused material and inventory acquired and included in Seller's claim. If the items ordered are standard commercial items, Buyer shall have the right to terminate this contract as hereinabove provided without any obligation or liability whatsoever except for payment of items delivered prior to such termination. In the event of any breach of any of the terms of this contract by Seller, or in the event of any proceeding by or against Seller in bankruptcy or insolvency or for appointment of any receiver or trustee or any general assignment for the benefit of creditors, Buyer may, in addition to any other remedy it may have in law or equity, without any liability to Seller on account thereof, by telegraphic or written notice, terminate all or any part of this contract, procure the supplies or services elsewhere and Seller shall be liable to pay Buyer any and all excess costs or other damages caused by Buyer as a result thereof.
16. **Release of Information and Advertising:** Seller shall not, without prior written consent of the Buyer, make any disclosure, news release or public announcement, denial or confirmation of same, of any part of the subject matter of this contract or in any manner advertise or publish the fact that Seller has supplied or contracted to supply to Buyer the items mentioned herein except as may be required to perform this contract.

By signing below, you have read and agree to the terms listed above:

Supplier Name: \_\_\_\_\_

ACCEPTED BY: \_\_\_\_\_ Date \_\_\_\_\_