

## PURCHASE ORDER TERMS AND CONDITIONS

1. **Application; Amendment; Waiver.** The terms and conditions in this document apply to each purchase order ("order") submitted by or on behalf of Stainless Flow Technologies, Inc. ("Buyer") to the other party of the order ("Vendor") and are a part of the order. The order (including these terms and conditions) contains the entire agreement of the parties, and may be amended only by the written agreement of Buyer. The failure of either party to enforce any of its rights under the order shall not constitute a waiver of those rights or any other rights under the order.
2. **Acceptance.** The order becomes a binding contract at the earlier of: (a) when Vendor's signed acknowledgment is received by Buyer; (b) when Vendor makes shipment according to schedule of all or any portion of the goods covered by the order; or (c) if Vendor's written acknowledgment of the order contains either (i) a different price or delivery schedule or a different type of item, or (ii) no price or no delivery schedule for any item to which Buyer's approval applies, when Buyer gives Vendor written approval of the price and delivery schedule of the goods as in Vendor's written acknowledgment. Except as provided in the preceding sentence, conditions of the order are that (A) no provisions printed or otherwise contained in any acknowledgment of the order that are inconsistent with or in addition to these terms and conditions nor any alteration in the order have any force or effect; and (B) Vendor by providing acknowledgment thereby agrees that any such provisions in the acknowledgement or any alterations in the order do not constitute any part of the contract. If terms on the order do not appear on or agree with Vendor's invoice as rendered, Buyer may change the invoice to conform to the order and make payment accordingly.
3. **Delivery.** Buyer's schedules are based upon Vendor delivering the goods to Buyer by the date or dates specified on the order. Therefore, time is of the essence, and if goods are not delivered by the date specified, Buyer may reject the goods and cancel the order. The acceptance of late or defective deliveries shall not be deemed a waiver by Buyer of its right to cancel the order or to refuse to accept further deliveries.
4. **Inspection; Warranty.** Goods delivered are subject to Buyer's inspection, testing, and approval before acceptance. **Vendor warrants that all articles, materials, and work will conform to the applicable drawings, specifications, samples, or other descriptions given to Vendor in all respects, and that the goods delivered under the order will be of good quality, material, and workmanship, merchantable, and free from liens or defects.** This warranty shall survive any inspection, delivery, acceptance, or payment by Buyer of the goods.
5. **Nonconforming Goods.** Goods (a) not up to standard and not in compliance with the specifications of the order; (b) shipped contrary to Buyer's instructions; (c) in excess of the quantities in provided; (d) substituted for goods described; (e) not shipped in containers conforming to Buyer's specifications; or (f) allegedly violating any statute, ordinance, or administrative order, rule, or regulation, may be rejected by Buyer and returned or held or by Buyer at Vendor's expense and risk. Buyer may charge to Vendor all expense of inspecting, unpacking, examining, repacking, storing, and reshipping any rejected goods. The remedies in this section are not exclusive, and Buyer may hold Vendor liable for any and all damages arising out of any breach or default.
6. **Price.** Prices stated in the order are not subject to increase without Buyer's written consent. No additional amounts are chargeable to Buyer because of taxes, duties, customs, excises, or assessments, except as otherwise provided on the order. If no price is recorded on the order, the price shall be the price in the last previous order given by Buyer to Vendor. The price includes delivery of all material F.O.B. Buyer's loading dock, freight collect.
7. **Billing, Routing; Packing.** Vendor shall comply with Buyer's billing and routing instructions on the order or otherwise communicated to Vendor. Buyer's purchase order number must be identified on all Vendor's invoices and correspondence relating to the order. Each package shall: (a) be numbered and labeled with Buyer's order number, stock number, contents, and weight, quantity, or other descriptive field as used on the order; contain an itemized packing slip; and (c) be properly prepaid for shipment. No charges will be allowed for packing, breaking, freight, express, or cartage unless stated in the order.
8. **Changes.** Buyer may, at any time and without notice to any sureties, assignees, or other third parties, make changes to the order as to packing, testing, destination, specifications, designs, and delivery schedule. Vendor shall immediately notify Buyer of any increases or decreases in costs caused by such changes and an equitable adjustment of prices or other terms of the order shall be agreed upon in a written amendment to it.
9. **Cancellation.** Buyer may, at any time and without cause, cancel all or any part of the undelivered portion of the order by notice to Vendor. In the event of such cancellation, Buyer shall not be liable to Vendor for lost profits. The provisions of this section shall not limit or affect Buyer's right to terminate the order for default of Vendor.
10. **Default.** Buyer shall have the unrestricted right to cancel this order without any cost or liability upon: (a) Vendor's breach of the order; (b) Vendor's insolvency or inability to meet obligations as they become due; (c) the filing of voluntary or involuntary petition of bankruptcy by or against Vendor; (d) institution of legal proceedings against Vendor by creditors or stockholders; or (e) appointment of a receiver for Vendor by any court of competent jurisdiction.
11. **Compliance with Law.** The performance of any work pursuant to the order is and shall be subject in all respects to and in compliance with all laws, rules, regulations, ordinances, proclamations, demands, directives, executive orders, or other requirements of municipal, state, and federal governments and all subdivisions of them which now or may hereafter govern the manufacture, sale, or delivery of the parts, supplies, and goods ordered under the order.
12. **Assignment.** Vendor shall not delegate or assign any duties or claims under the order without Buyer's prior written consent. Any delegation or assignment attempted without that consent shall effect, at Buyer's option, cancellation of Buyer's entire obligation under the order.
13. **Indemnification and Offset.** Vendor shall indemnify Buyer from all liability for loss, damage, expense (including reasonable attorneys' fees), or injury to person or property in any manner arising out of the order, except for Buyer's default or negligence. Buyer may offset any such liability against any Vendor claims for moneys due or to become due from Buyer under any of Buyer's orders with Vendor. Buyer may control the defense and any settlement of any claim or suit.
14. **Waiver of Liens.** Vendor hereby waives and relinquishes all liens and claims, statutory or otherwise, that Vendor now has or may hereafter have as a result of labor done and materials furnished by Vendor or Buyer in performance of the order.
15. **Applicable Law.** The internal laws of the State of Wisconsin, without regard to conflict of laws principles, govern the order. Vendor hereby consents and submits to personal jurisdiction in the State of Wisconsin for all matters related to the order and waives any objection to jurisdiction in the State of Wisconsin. Vendor consents to venue in the Circuit Court of Fond du Lac County, Wisconsin and, to the extent there is subject matter jurisdiction, in the United States District Court for the Eastern District of Wisconsin. Vendor shall not raise any claim of forum non conveniens with respect to any court so located.