

## STATIC CONTROL COMPONENTS, INC. ("Buyer") Purchase Order Terms and Conditions

1. Acceptance of this Purchase Order is limited to the terms hereof. Additional terms on Seller's form are objected to and rejected and shall be deemed a material alteration hereof.
2. Acceptance: This Order will be accepted by the Seller either by a) Signing and returning a copy of the Purchase Order or b) Signing and returning the Seller's Acknowledgement Document or c) Shipping product to Buyer or cashing Buyer's check.
3. It is the responsibility of Seller to review all requirements, MCN or drawings, referenced on the Purchase Order. By accepting the Purchase Order, Seller is deemed to have accepted all requirements, MCN or drawings referenced on the Purchase Order. If Seller wishes to clarify, or to take exception to, any requirements, MCN or drawings on the Purchase Order, he must do so BEFORE manufacture. Such requests should be addressed in writing to Static Control-Purchasing Department, [purchasing@sc-inc.com](mailto:purchasing@sc-inc.com)
4. Price: Any changes in price must be effected by an amendment to this Order. Seller warrants that prices quoted hereunder are the lowest prices at which these or similar articles are sold by the Seller to other customers and, in the event of any price reduction between execution of this Purchase Order and delivery of the goods, Buyer shall be entitled to such reduction. Any change in price must be agreed to in writing.
5. Buyer shall have the right to make changes in this Order at any time and Seller agrees to accept such changes. In the event such changes result in additional costs, Buyer shall make an equitable adjustment in the purchase price provided Seller itemizes such additional costs for Buyer within thirty days of the change.
6. Buyer may reject and return at Seller's expense any item that contains defective material or workmanship or does not conform (by appearance or by function) to this Order, applicable drawings, specification or samples whether the defective material or workmanship or nonconformity is discovered at the time of delivery of the item or at a later date. Seller agrees to accept all such returns and to reimburse Buyer for any payments it made on the item prior to the return.
7. Payment for goods delivered under this Order shall not be deemed to be acceptance of such goods. Goods shall only be deemed accepted when they have actually been counted, inspected, and tested by Buyer and found to be in conformance with this Order. However, failure to inspect or test by Buyer shall not relieve the Seller of any of its responsibilities hereunder.
8. Shipment: Seller shall follow the labeling, shipping and packing instructions in Buyer's "Requirements for Suppliers of Purchased Items" (available at [www.sc-inc.com](http://www.sc-inc.com)), as may be amended from time to time, or be liable for extra charges over what would have been incurred if specified routing had been followed. Unless otherwise specified, all shipments to be made uninsured. No charges will be allowed for boxing, crating or cartage unless previously agreed. Packing will be best commercial pack, unless otherwise specified. Mark all packages, cases, bundles, etc., with Purchase Order number. Packing slip must accompany each shipment. Since time is of the essence, deliveries must be made at the time promised. Goods delivered more than 10 days in advance or 5 days after the agreed upon date will be subject to cancellation or price re-negotiation.
9. Buyer may delay delivery or acceptance of goods in the event of any unforeseen event. Seller shall hold the goods pending Buyer's direction, and Buyer shall be liable only for direct increased costs incurred by the Seller by reason of Buyer's instructions.
10. Buyer reserves the right to terminate this contract for its convenience. In such event Seller shall immediately stop all work and observe any instructions from Buyer as to work in process. Seller shall be paid an equitable adjustment only for work it performed prior to the notice of termination.
11. Buyer may also terminate this contract for cause in the event of default or delay by Seller. In such event, Buyer shall not be liable to Seller for any amounts, and Seller shall be liable for, and shall hold Buyer harmless from, any damages occasioned by the Seller's breach, default or delay. If it should be determined that the Buyer has improperly terminated this contract for default, such termination shall be deemed to be for Buyer's convenience.
12. Seller warrants that all goods or services furnished hereunder shall be merchantable, shall be free from any defects in workmanship or material and shall be conformed to advertised quality and that seller is conveying full title to any goods. If Seller has been informed of the use of the products, Seller also warrants that the items furnished hereunder are suited and appropriate for such use. Seller shall indemnify and save the Buyer harmless from any breach of this warranty, and no limitations on Buyer's remedy in Seller's documents shall operate to reduce this indemnification. Seller shall extend all warranties it receives from its vendors to Buyer, and Seller's warranty shall extend to Buyer's customers. This warranty is in addition to all warranties contained under the law.
13. Seller agrees to hold Buyer harmless from any patent claims, related actions or similar proceedings, which arise from the products sold by the Seller. Seller shall defend any such suits at its own expense, and Buyer shall have the right to have such litigation monitored by its own counsel.
14. This agreement along with any documents incorporated by reference constitutes the entire agreement between the parties and can only be modified by a writing signed by both parties. No part of this Order may be assigned or subcontracted without the prior written approval of the Buyer. Any monies due Buyer from Seller can be set off from any monies due Seller from Buyer whether or not under this contract. Buyer's failure to insist on any right shall not operate as a waiver of any other right. Time is of the essence in this contract.
15. If this Order includes work to be performed on Buyer's premises, Seller agrees to indemnify the Buyer from all loss or damage arising out of such work, to observe the highest safety standards, to maintain adequate insurance, and to furnish evidence of such insurance at Buyer's request.
16. All documents and duties necessary to provide the ordered product at Static Control's facility in Sanford, North Carolina are the responsibility of the Seller.
17. Invoices: Individual invoices must be issued for each shipment against this Order. Delay in receiving an invoice, invoicing for supplies shipped ahead of specified schedule or invoices rendered with errors and omissions will be considered just cause for Buyer to withhold payment without losing discount privileges. Discount privilege will apply from date of scheduled delivery, the date of receipt of the suppliers or services, or the date of invoice, whichever is later. Invoices must reference the Buyer's Purchase Order number(s). Foreign Seller must supply documentation compiled in accordance with US Customs.
18. The Buyer's engineering, technical and other personnel may, on occasion, render assistance or advice to Seller's personnel concerning the supplies or services to be furnished. However, such assistance, or advice shall not constitute either a change or a waiver of the Seller's existing obligations. In order to be binding upon Buyer, any change, waiver, or amendment to this Order must be in writing and signed by an authorized representative of the Buyer's Purchasing Department.
19. Facilities, Special Tools and Equipment: The Seller represents that it now has, or can readily procure all facilities necessary for the timely performance of this Order. Special tools and equipment (e.g. dies, patterns, jigs, molds, fixtures, etc.) used in the manufacture of the ordered articles shall be furnished by and at the expense of Seller and shall be kept in good condition for follow-on orders, and when necessary, shall be replaced by Seller without expense to Buyer. All materials e.g. raw stock, components, etc., special tools and equipment furnished by Buyer to Seller in connection with this Order shall remain Buyer's property. In addition, all special tools and equipment either (i) identified as reimbursable items in this Order, or (ii) specifically acquired for performance of this Order with the cost being fully amortized or recovered in the price of the supplies to be delivered shall upon such payment become Buyer's property. All of Buyer's property shall be (i) used only in filling this Order for Buyer, (ii) kept segregated and clearly marked as Buyer's property, (iii) maintained in good condition, normal wear and tear being accepted, and (iv) surrendered to Buyer upon demand. While Buyer owned property is in Seller's possession or control, Seller shall be responsible for all loss or damage and shall, at its expense, secure or maintain extended insurance coverage in an amount sufficient to cover replacement cost.
20. Seller certifies that all goods furnished hereunder are in compliance with the following environmental directives/laws/regulations/standards and all amendments thereto: European Union Directive on the Restriction of Hazardous Substances Directive (RoHS); European Union Directive on Registration, Evaluation, Authorization and Restriction of Chemical Substances (REACH); European Union Directive on Waste Electrical and Electronic Equipment (WEEE); European Union Master Directive 76/79/EEC; European Union Directive 2006/122/EEC; Japan Eco-Mark; Korea Eco-Label; New Zealand Ecolabelling Trust; Taiwan Greenmark; Thailand Green Label; Nordic White Swan; California Safe Water and Toxic Enforcement Act of 1986. Seller further certifies that all goods hereunder are in compliance with all environmental regulations issued by the United States Environmental Protection Agency and the State Environmental Protection Administration of China.
21. North Carolina law shall control the interpretation, validity and scope of any agreement between Buyer and Seller. Any dispute between the parties shall be decided in the state and federal courts in and for Lee County, North Carolina. Seller agrees to submit to the jurisdiction of said courts with respect to any dispute between the parties.