

1) DEFINITIONS: The following words shall have the meanings indicated:

- a) "Merchandise" means all goods, materials, equipment, machinery, spares, parts and services identified in and to be provided pursuant to the Purchase Order.
- b) "Buyer" means that entity identified as "Buyer" in the Purchase Order, or the subsidiaries, affiliates, or assigns thereof which may be designated from time to time.
- c) "Seller" means the person, partnership, company, or corporation providing the Merchandise to Buyer, as identified by the Purchase Order.
- d) "Owner" means the Buyer's client (or clients) and the ultimate owner of the Merchandise, jointly and severally.
- e) "Facility" means the plant into which it is intended the Merchandise be incorporated.

2) CONTRACT: This Purchase Order constitutes an offer by Buyer to purchase the Merchandise upon the terms and conditions and at the price(s) and with the delivery date(s) stated herein and is not an acceptance of any offer by Seller to sell Merchandise. Seller shall indicate its acceptance of this offer by verbal acceptance, by executing and returning the Purchase Order acknowledgment or any other written acceptance or confirmation, by commencing work on the Merchandise in any manner, or by delivering the Merchandise. The Purchase Order, together with the documents attached thereto or incorporated therein by reference, shall constitute the entire agreement of the parties and may not be modified except by a written change order issued by Buyer. No terms stated by Seller in its proposal or in accepting or acknowledging the Purchase Order shall be binding except as expressly incorporated therein by Buyer, and Seller is hereby notified of Buyer's objection to and rejection of any additional or different terms in Seller's quotation, acknowledgment, invoice, or other forms. BUYER'S PURCHASE ORDER IS EXPRESSLY LIMITED TO ACCEPTANCE UPON THE TERMS AND CONDITIONS CONTAINED HEREIN.

3) PRIORITY OF DOCUMENTS: In the event of any conflict in the terms and conditions of the typed portion of the Purchase Order and any other contract document, the typed portion of the Purchase Order shall control. To the extent of any conflict between the conditions of this document and any other conditions referenced in the Purchase Order, the conditions that are more strict, more demanding or more onerous on the Seller shall control. Special Terms and Conditions, if any, shall control over General Terms and Conditions. Specifications shall govern over drawings unless otherwise expressed in writing. If Seller becomes aware of any mistakes or ambiguities in the Purchase Order documents, or becomes aware of any additional information necessary to provide the Merchandise, Seller shall so notify Buyer immediately and request direction before proceeding.

4) CHANGES: Buyer shall have the right and may, from time to time, order changes, additions or deletions to the quantity of Merchandise ordered, to the time for performance, or to the requirements of the designs, drawings, specifications, or instructions (herein a "Change"). Before proceeding with any work affected by such a Change (unless expressly directed otherwise in writing by Buyer) Seller shall promptly review such Change and shall as soon as possible but in any event no later than five (5) days inform Buyer of any change in Seller's cost of performance and/or delay in delivery. Upon mutual agreement as to any modification to price or delivery, Buyer shall issue a written change order. Unless expressly directed otherwise in writing by Buyer, Seller shall not proceed with any Change prior to receipt of such written change order. In the event Seller fails to comply with this procedure, Seller shall be deemed to have waived all claims for increased cost or extension of time of performance related to such Change. In the event Seller's performance is delayed or its costs are increased due to acts or omissions of the Owner or those for whom the Owner is responsible, Seller agrees that it shall not be entitled to damages, additional compensation, or any extension of time unless and until the Owner is found liable for, and actually pays for, the Seller's delays or additional costs. Buyer shall be liable to pay Seller only the amount allowed and actually paid by the Owner for said damages. During any dispute regarding a Change, Seller shall proceed in a timely manner with the Work and the Change, as directed by Buyer.

5) ASSIGNMENT: Seller may neither assign this Purchase Order in whole or in part, nor sublet or subcontract any of the work to be performed, or Seller's interest herein, without the prior written consent of Buyer. Any purported assignment in violation of the foregoing shall be void.

6) WAIVER; REMEDIES: All waivers must be explicit and in writing. Buyer's waiver of any breach by Seller of any of the provisions of the Purchase Order shall not constitute a waiver of any other breach of the same or any other provision. Buyer's rights and remedies under any provision of this Purchase Order shall be in addition to and not in substitution or limitation of any other rights and remedies available to Buyer under applicable law.

7) WARRANTY: Seller warrants that the Merchandise to be provided hereunder shall be new and not used or sold, of the best grade and quality, shall be free from any defect, shall be free from faulty design, and shall be and perform in accordance with the drawings and specification requirements of Buyer and the representations of Seller for a period of twelve (12) months from (i) the date of first commercial use or (ii) completion of the total project for which this Merchandise is being purchased, whichever shall occur later (the Warranty Term). Seller agrees that in the event any nonconformity with Seller's warranty is discovered, in addition to any other remedy available to Buyer, and not in substitution or limitation thereof, Seller shall be liable for the cost of removal, repair or replacement, reinstallation, and transportation of such Merchandise. Buyer may at its option, perform remedial work which shall be back charged to Seller according to Buyer's standard cost accounting practices at cost plus twenty percent (20%) for technical supervision and administration. Seller agrees that this warranty shall inure to the benefit of Buyer and Owner and that Buyer, Owner, or both shall have the right to enforce the terms of this warranty.

8) BACKCHARGES: In the event the Merchandise is found to be defective as to workmanship or materials, is delayed, or is otherwise not in conformance with this Purchase Order, it is the responsibility of Seller to promptly correct any deficiency when so directed. Buyer will take reasonable measures to discover such noncompliance as quickly as practical; however, failure to do so shall in no way relieve Seller of its responsibilities during the term of this Purchase Order and for the warranty period to promptly make such modifications as are required. If upon being notified by Buyer or Owner of deficient Merchandise, and having been directed to correct the deficient Merchandise by a specific date, Seller states or by its actions indicates its inability or unwillingness to comply, then Buyer or Owner shall have the right to proceed to accomplish the corrective work by the most expeditious means available to it and back-charge Seller for the cost of the required work. Seller may also be back-charged for extraordinary activities, such as, but not limited to: (a) changes and/or lateness of engineering submittals by Seller that cause redesign, rework, and/or changes to Buyer supplied materials, (b) additional shop expediting or inspection undertaken by Buyer but caused by Seller's poor or lack of performance in execution of any part of its obligations under this Purchase Order, or (c) demurrage charges and container detention charges accruing at port of entry through delay in dockside clearance which is attributable to Seller's inadequate or improper documentation. The cost of such back-charge work shall be computed as follows: (i) labor shall be charged at actual cost, (ii) material shall be charged at net delivered cost, (iii) equipment and tool rentals shall be charged at prevailing rates in the area, and (iv) 100% shall be added to items 1, 2, and 3 for Buyer's indirect costs, overhead, supervision, and administration.

Before proceeding on such back-charge work, and if available, Buyer shall furnish the Seller with a written estimate of the cost of performing the work, and solicit Seller's signed authorization to proceed. Regardless of Seller's willingness to provide such written authorization, the Buyer, when forced to proceed with the work and/or upon completion of the work, will invoice the Seller, and Seller shall pay, for actual costs incurred, computed as shown above, or withhold such sum from funds still due the Seller. In the event the Buyer or Owner has to expend additional time performing expediting, inspection or engineering activities because the Seller states (or by its actions indicates) its inability or unwillingness to complete the work in accordance with the terms of this Purchase Order, the Buyer or Owner shall proceed to perform additional expediting, inspection or engineering to facilitate completion. This action will be taken using Buyer's

or Owner's personnel or agents and Buyer will back-charge Seller for the cost of the work at its published rates plus 10% fee, plus actual and reasonable expenses.

9) DELAY: Seller agrees that time shall be of the essence in its performance under this Purchase Order. Seller shall begin and complete deliveries in accordance with the Schedule identified in the Purchase Order. Any delay in Seller's performance caused solely by an event of Force Majeure may constitute an excusable delay, provided that Seller notifies Buyer in writing of the existence and effect of such an event within five (5) days of its commencement, and provided further that Seller takes immediate action (and notifies Buyer in writing of such action) to avoid or minimize any delay caused by the Force Majeure event. Buyer's determination as to the existence or duration of any excusable delay shall be final and binding. Buyer, however, shall be entitled, without liability or obligation, to terminate any order so delayed. Seller shall immediately inform Buyer whenever Seller has reason to believe that any item to be provided by Seller will not be delivered on or before the date specified in the Purchase Order. Unless Buyer notifies Seller in writing that such delay will not affect the Schedule of the Project, Seller shall use all necessary efforts to improve delivery and to avoid any such delay.

10) LAWS AND REGULATIONS: Seller represents that the Merchandise to be supplied hereunder shall comply with all applicable laws, standards, and regulations, whether governmental or industrial, in effect on the date of delivery of such Merchandise or known in the industry to become effective after such date.

Seller agrees to comply with the provisions of the Truth in Negotiations Act of 1962, all applicable regulations on employment practices, and to execute and maintain all certification reports as required by Buyer and/or applicable regulations.

11) PATENT AND LICENSES: Seller shall defend all suits, claims, and allegations and shall indemnify and hold Buyer and Owner harmless from any liability of any nature or kind, including attorney's fees, costs and expenses, caused by or attributable to, alleged or actual infringement of any patent or other intellectual property right by the Merchandise or any process, or apparatus manufactured or supplied by Seller as part of the Merchandise or by the use or operation of the Merchandise. Seller's indemnity shall include but shall not be limited to the sale or use of the Merchandise by Buyer, Owner, or successors in interest to these parties. Seller shall have no responsibility under this Article for any alleged or actual infringement necessarily resulting from compliance with the explicit requirements of Buyer's specifications or drawings unless Seller has information indicating that such requirements may constitute an infringement of a patent, in which event, Seller shall be responsible unless Seller promptly provides such information to Buyer in writing. Seller grants to Buyer and Owner and their assignees, if any, full right and license to use any process or apparatus patents or other intellectual property incorporated into or used by the Merchandise during its operation.

12) CONFIDENTIAL INFORMATION: Any drawings, designs, specifications, or other documents or information furnished or disclosed to Seller by Buyer shall be used by Seller only for the purposes of supplying the Merchandise required under this Purchase Order. Seller agrees to hold such documents and information in confidence and agrees not to disclose same to any third party except with the prior written authorization of the Buyer. Seller agrees to execute further and separate agreements of confidentiality in the event they are required by Buyer or Owner and agrees to return to Buyer any and all documents furnished by Buyer or Owner to Seller (as well as any and all copies thereof) upon the earlier to occur of a written request by Buyer or the completion of the Work.

13) PRESS RELEASES: Seller shall not issue press releases without Buyer's written permission, which shall not be reasonably withheld.

14) INDEMNITY: Seller agrees to protect, defend, indemnify, and save harmless Buyer and Owner, and their successors and assigns, from and against any loss, cost, damage, or expense, including attorneys' fees, arising from any claim including but not limited to death or injury to persons or damage to property, arising out of, relating or attributable to the activities of Seller or the Merchandise supplied hereunder including, without limitation, defects in design, materials, or manufacture, except in

the event such loss, cost, damage, or expense is caused by the sole negligence of Buyer or Owner.

15) LIENS: Seller hereby waives to the full extent permitted by law its lien rights, including mechanic's lien rights against Owner and/or Buyer and the property of each and Seller agrees to promptly satisfy and discharge any claim or lien against Owner or Buyer of the property of Owner or Buyer which may arise out of, or relate to, this Purchase Order, or the Merchandise supplied pursuant hereto. In the event Seller shall file any lien, or fail to discharge any claim or lien of third parties within five (5) days after receiving notice thereof, Buyer may, at its option, discharge such claim or lien and all related costs and expenses, including but not limited to attorneys' fees, shall be the responsibility of Seller. Buyer may, at any time and from time to time, require that Seller execute further waivers of liens and claims prior to making payments due hereunder.

16) SUSPENSION OR TERMINATION: Buyer shall have the right to suspend or terminate Seller's work hereunder, or any part thereof, including delivery, upon notice to Seller. Seller shall promptly comply with Buyer's instructions to minimize the cost to Buyer. In the event of suspension, Seller shall be entitled to recover, upon delivery, only its uncompensated fully-burdened cost without profit or fee related to the proper performance of acceptable Work up to the time of suspension, plus a surcharge of five percent (5%) thereof for overhead and profit. In the event Buyer terminates this Purchase Order for its convenience, Seller shall be entitled to recover, upon delivery, only its uncompensated fully-burdened cost without profit or fee incurred prior to the date of Buyer's termination plus those costs arising from Buyer's termination plus a surcharge of five (5) percent of the sum of such costs, for overhead and profit, provided that in no event shall the total price paid by the Buyer exceed the price(s) specified in this Purchase Order or the appropriate portion thereof. Any cost claimed by Seller under this Article shall be subject to the audit and approval of Buyer. Upon termination payment, the Merchandise shall become the property of Buyer in its then state of completion.

17) SELLER'S DEFAULT: If Seller fails in its performance of any provision of the Purchase Order or Buyer's instructions, or shall refuse or be unable to maintain progress satisfactory to Buyer to ensure completion of the Merchandise by the required date, or shall become insolvent or make a general assignment for the benefit of its creditors or be adjudged a bankrupt or should any voluntary or involuntary petition in bankruptcy be filed, or should Seller fail to make prompt payment to its suppliers, subcontractors, or labor force, Buyer shall have the right, in addition to and not in substitution or limitation of any other rights available under applicable law, to terminate this Purchase Order or any part thereof for cause and Buyer may, at its option, enter upon Seller's premises, and take possession of any materials, tools, equipment and appliances for which Buyer has made full or partial payment and complete the Merchandise in any manner Buyer deems appropriate. If Buyer's termination is thereafter found to have been without reasonable cause, then such termination shall be treated as a termination for convenience pursuant to Article 14 hereof.

18) INSPECTION AND EXPEDITING: If the identity and location of the shops in which Seller intends to manufacture the Merchandise (or components thereof) are not in the Purchase Order then Seller shall promptly inform Buyer in writing of the location of the manufacturing shops, and in either event shall not change such location nor effect any material change in the schedule of manufacture without Buyer's prior written approval. Seller agrees to provide full information concerning all material incorporated into the Merchandise and to provide safe, free, and adequate facilities and clear identification of the Merchandise and components intended for incorporation therein, and agrees to permit Buyer and Owner and/or their representatives the right to, and the right of access to Seller's facilities and Seller's subcontractor's facilities in order to: (i) review all related Quality Control or Quality Assurance documents and production reports and (ii) expedite, inspect and test the Merchandise and its manufacture at all reasonable times at any location and during any stage of completion (whether in Seller's shops or in the shops of others). Seller shall also provide periodic reports of progress as required by Buyer. Any inspections or failure to inspect shall not constitute an acceptance or acknowledgment of the quality of the Merchandise by Buyer or Owner. Seller shall remain solely responsible for making any inspections or performing any tests required by the drawings or specifications. Buyer's determination that any

Merchandise is not meeting schedule requirements or is defective or fails to meet the drawings or specifications or is inadequately identified shall be final and binding. Upon notification thereof by Buyer, Seller shall promptly accelerate the work and/or replace any defective Merchandise as directed by and without cost to Buyer. Buyer and/or Owner shall have the right to expedite any and all equipment (or components thereof) at all reasonable times and at any location during any stage of completion. If requested by Buyer or Owner, Seller shall furnish unpriced copies of Seller's purchase orders for components and materials placed with sub-suppliers and/or subcontractors. Seller shall inform its sub-suppliers and/or subcontractors of Buyer's right to expedite, and shall ensure their full cooperation. Such expediting or failure to expedite shall not constitute an acceptance, acknowledgment or direction by Buyer or Owner of any schedule commitments different from those agreed to and made part of this Purchase Order.

19) LOST PROFIT: In no event shall Buyer be responsible or liable for Seller's loss of actual or anticipated profits nor for any other indirect or consequential damage arising out of or relating to the Purchase Order or from the performance, suspension, termination, or breach thereof, whether based upon principles of equity, contract, tort (including but not limited to negligence) or otherwise.

20) PAYMENT: Terms of payment shall be in accordance with the provisions of the Purchase Order; however, in no event shall Buyer be obligated to pay Seller if the Owner, for any reason or no reason, refuses or fails to pay Buyer's invoice, which invoice includes an amount or amounts invoiced for the work or progress of Seller. Any money due Seller by Buyer under this Purchase Order or any other transaction may, at Buyer's option, be applied as a setoff to the payment of any sums owed by Seller to Buyer under this or any other Purchase Order or transaction. Final payment hereunder shall become due and payable only following the execution by Seller of Buyer's Waiver of Lien and Claim Form. Unless otherwise stated in the Purchase Order, payment shall be made at Buyer's election, either forty-five (45) days following delivery and acceptance of the Merchandise and receipt of a proper invoice from Seller, or ten (10) days following the foregoing with a two percent (2%) discount.

21) INVOICE DOCUMENTATION: Seller shall cooperate with Buyer, and shall provide any and all photographs, schedules, records, Seller invoices and receipts, as well as any other supporting data as requested by Buyer (collectively the "Invoice Documentation"), in support of Seller's invoices to Buyer. Payment by Buyer for current and future invoices of Seller shall be subject to the full cooperation of Seller with respect to the provision of such Invoice Documentation.

22) PASSING OF TITLE: Title to the completed or partially completed unit(s) of Merchandise (including all equipment, raw materials, work in progress, and components on hand or acquired for the manufacture of such equipment) covered by individual progress payments, shall pass to Buyer as and when such progress payments are made to Seller by Buyer and in the proportion represented by such payments

23) RISK OF LOSS: Seller assumes and maintains the entire risk of loss with respect to the goods covered under this Purchase Order until such goods are tendered to Buyer in accordance with the delivery terms specified in the Purchase Order.

24) IDENTIFICATION OF PROPERTY: The completed or partially completed unit(s) of Merchandise, including all equipment, materials and components thereof, so covered by progress payments shall be identified and marked as the property of the Buyer and shall not be commingled with the inventory of the Seller or the property of others in Seller's plant. All tools, instruments, software and equipment purchased by Seller specifically for the provision of the Merchandise hereunder shall be owned by Buyer and delivered to Buyer upon completion of Seller's work, unless and to the extent otherwise directed by Buyer.

25) SECURITY INTEREST: For the purpose of securing Seller's performance of its obligations under the Purchase Order, Seller hereby acknowledges and grants Buyer a security interest in and to the completed or partially completed equipment so covered by Buyer's progress payments; it being expressly understood and agreed that title to said completed or partially

completed equipment covered by progress payments shall be and remain with the Buyer, free and clear of all claims of Seller and creditors of Seller.

26) GOVERNING LAW: The Purchase Order and all contract documents shall be interpreted in accordance with, and their administration and performance shall be governed by, the laws of the State of Delaware, without regard to its choice of law or conflict of laws provisions. The venue for any cause of action and/or all matters in dispute shall be the state and/or federal courts in New Castle County in the State of Delaware.

27) HEADINGS AND SEVERABILITY: Any headings preceding the text of the several articles hereof are inserted solely for convenience of reference, shall not constitute a part of the agreement, the Purchase Order or the contract documents, and shall not otherwise affect the meanings, content, effect, or construction of the Purchase Order. In the event that any provision contained herein is held to be invalid or unlawful, such provision shall be severable from the remaining provisions of the Purchase Order, which shall remain in full force and effect.

28) TAXES: Unless otherwise set forth on the face of this Purchase Order, the Seller shall be responsible for and shall pay all sales, use, excise, added value or similar taxes which may be due on the sale and/or delivery of the goods hereunder.

29) INTELLECTUAL PROPERTY: Buyer shall retain the designs, calculations, drawings, procedures, specifications, and inventions specified by and developed for Buyer under this Purchase Order, and all intellectual property rights with respect thereto. At Buyer's request, Seller shall promptly provide to Buyer all original associated designs, calculations, drawings, procedures, specifications, and other such items and materials. Seller may retain copies of such items and materials but only for its records and may not use such items and materials, or any associated information or intellectual property, for the benefit of others without the express written consent of Buyer, and Buyer agrees not to do so. Any designs, calculations, drawings, procedures, and specifications and associated intellectual property developed or owned by Seller prior to the time of its proposal to Buyer ("Preexisting Seller IP") shall remain the property of Seller, provided that Seller hereby grants to Buyer a worldwide, royalty free, fully paid, perpetual, irrevocable license to use Preexisting Seller IP without restriction to the extent necessary or useful in order to use and exploit designs, calculations, drawings, procedures, specifications, or other deliverables developed for Buyer under this Purchase Order.

30) EQUAL OPPORTUNITY: The Equal Opportunity Clause in Section 202 Executive Order No. 11246, amended, relative to Equal Employment Opportunity, and the implementing rules and regulations of the Office of Federal Contract Compliance, and Section 503 of the Rehabilitation Act, are incorporated herein by this reference.

31) DOCUMENTED QUALITY ASSURANCE (QA) PROGRAM (Only applies if checked at the bottom of the PO form): The Seller shall have a documented QA program that implements the applicable quality requirements of this Purchase Order. This QA program shall be maintained and applied to the activities used to fulfill this order. The QA Program shall include provisions for extending appropriate QA requirements to lower tier suppliers. Any changes to said QA program shall be reported in writing to the Buyer's Quality Assurance Manager immediately.

32) 10 CFR 21 APPLICABILITY (Only applies if checked at the bottom of the PO form): The Merchandise to be provided under this Purchase Order is subject to the provisions Title 10 of the Code of Federal Regulations Part 21 (10 CFR 21), Report of Defects and Noncompliance. Notifications shall be made immediately in writing to the attention of the Buyer's Quality Assurance Manager.

33) GOVERNMENT CONTRACTS: If this Purchase Order is issued for any purpose that is directly or indirectly connected with the performance of a prime contract with the government or a subcontract thereunder, the terms that the Federal Acquisition Regulations or other applicable regulations require to be included in contracts or subcontracts will be deemed incorporated herein and shall apply to this Purchase Order.