

Purchase Order Terms and Conditions

1. ACCEPTANCE: This Purchase Order is an offer by Buyer to Seller to enter into the Purchase Order it describes, and it shall be the complete and exclusive statement of such Purchase Order. Seller's shipment of goods or provision of services in response to this order shall constitute acceptance of the terms and conditions set out herein, notwithstanding any additional or different conditions contained in any acknowledgement form submitted by Seller.

2. MODIFICATIONS: Modifications proposed by Seller are not part of the agreement unless approved in writing by an authorized representative of the Purchasing department.

3. INCORPORATION BY REFERENCE: If Buyer issued a Request for Proposal/Invitation to Bid relative to the Goods or provision of services covered by this Purchase Order, the Request for Proposal/Invitation to Bid is hereby incorporated into this Purchase Order by reference. In the event of a conflict between the terms and conditions contained in this Purchase Order and the incorporated Request for Proposal/Invitation to Bid, the Request for Proposal/Invitation to Bid shall take precedence. However, the parties also acknowledge that where there is not a conflict between any of the terms and conditions contained in this Purchase Order and the incorporated Request for Proposal/Invitation to Bid, all of the terms and conditions shall be binding upon both parties, except to the extent the exceptions contained in the Seller's proposal/bid are not expressly accepted by the Buyer in writing and incorporated into this order.

4. SHIPPING and MARKINGS: All material shall be suitably packed, marked, and shipped in accordance with the requirements of common carriers in a manner to secure lowest transportation cost and no additional charge shall be made to the Buyer unless otherwise stated on the face of the Purchase Order. Do not combine Purchase Orders in one carton; each Purchase Order must be packaged separately. All packages should be clearly marked with the Purchase Order number.

5. PLACE OF DELIVERY: The place of delivery shall be that set forth on this Purchase Order. Any modifications shall be subject to the requirements indicated in Section 2.

6. FREIGHT ON BOARD (FOB): All materials are sold FOB Buyer's Destination.

7. TITLE and RISK OF LOSS: The title and risk of loss shall not pass to Buyer until Buyer receives and takes possession of the goods at the point(s) of delivery.

8. PACKING SLIPS | BILL OF LADINGS: Seller shall include itemized packing slips and a straight bill of lading from the carrier and both documents shall reference this Purchase Order number and location of the delivery destination.

9. PRICE: This order shall not be filled at prices higher than specified on this Purchase Order. Any change in price must be accepted and modified in accordance with the requirements indicated in Section 2.

10. INVOICES: Seller shall include this Purchase Order number and the delivery destination on each invoice. Billings for partial deliveries must be so indicated.

11. PAYMENT: Payment will be made within 30 days after receipt of an invoice for materials, upon inspection, or satisfactory performance of services. Seller shall maintain all records and documentation regarding payment for at least three (3) years following the date of final payment.

12. INSPECTION: Payment for the goods or services furnished hereunder shall not constitute acceptance. All goods are subject to Buyer's inspection. If any of the materials are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of this order, Buyer, in addition to any other rights which it may have under warranties or otherwise, shall have the right to reject or return such goods at Seller's expense. If such materials may be corrected by Buyer, Buyer shall consult with Seller on the method of correction. Seller shall reimburse Buyer for reasonable expenses resulting from correction or rejection of materials.

13. WARRANTY and INDEMNITY: Seller warrants that all Goods and services covered by this Purchase Order will: a) conform to the specifications, drawings, written instructions, samples, or descriptions furnished to or by Buyer; b) be of good quality and workmanship; c) be free of defects in design (unless Buyer provided the design), materials and workmanship; d) be merchantable; e) be fit for particular purposes applicable to the design, function or use of the Goods. Seller acknowledges that Seller knows of Buyer's intended use and expressly warrants that all Goods covered by this Purchase Order which may have been selected, designed, manufactured or assembled by Seller, based upon Buyer's stated use, will be fit and sufficient for the particular purposes intended by Buyer. Seller shall immediately notify Buyer of any errors in specifications or drawings provided by Buyer which are patent or which are otherwise known to or should have been discovered by Seller. Notwithstanding Buyer's inspection provided in Section 12, Seller shall indemnify, defend and hold Buyer harmless from any damages to property or personal injuries resulting from or reasonably attributable to any defects in supplies or services provided by Seller.

14. INFRINGEMENTS: Seller agrees to protect, hold, and save harmless Buyer against any and all claims for patent, trademark, copyright, or franchising infringement arising from the purchase, installation or use of material ordered on this Purchase Order, and to assume all expense and damage arising from such claims.

15. ASSIGNMENT: Seller shall not, in any manner, delegate its duty of performance or assign its rights or obligations without the prior written consent of the Buyer.

16. EXCUSABLE DELAYS: Neither Buyer nor Seller shall be liable for a failure to perform that arises from causes or events beyond its reasonable control and without its fault or negligence. In the event of a delay in performance, Buyer, at its option, may accept delayed delivery of supplies from Seller or cancel this Purchase Order without obligation to Seller.

17. TERMINATION RIGHTS: Buyer may terminate this Purchase Order with or without cause upon thirty (30) days prior written notice to the Seller, if materials have not shipped. The term "Cause" shall mean: the failure by the Seller to comply with any of the material terms of this Purchase Order after being given written notice of such

failure by Buyer and the failure to cure such condition, and provide a written response to Buyer detailing how it was cured and what steps are being taken to prevent the failure from occurring again, within fourteen (14) days after receipt of such notice.

Seller will be paid only that amount which has been incurred for work completed up to the date of termination. Seller will not be eligible for any anticipatory profits or fees for future work beyond the termination date. All notices must comply with Section 22.

18. SALES, USE and FEDERAL EXCISE TAX: Buyer is an exempt institution in respect of such taxes and intends to use or consume supplies to this Purchase Order in its operations. Seller shall not include in its price, nor otherwise charge to Buyer, federal excise taxes or state or local sales or use taxes on the supplies of this Purchase Order.

19. MATERIAL SAFETY DATASHEETS: It is the Seller's responsibility to comply with the Michigan Right to Know/Hazardous Material Law and all applicable environmental laws. All hazardous chemicals supplied on this order shall be properly labeled and must be accompanied with a Material Safety Data Sheet.

20. NON-DISCRIMINATION: Seller hereby agrees to comply with all applicable federal, state and municipal equal opportunity and nondiscrimination guidelines, regulations and executive orders, and covenants that neither the Seller nor any subcontractors will discriminate against an employee or applicant for employment with respect to hire, tenure terms, conditions or privileges of employment, or in a manner directly or indirectly related to employment, because of sex, race, color, national origin, religion, height, weight, marital status, sexual orientation (subject to limitations of applicable law), age, or disability in its programs, services, activities or employment. Failure on the part of the Seller to comply with said guidelines and regulations shall, upon reasonable notice, constitute grounds to revoke and otherwise terminate the Purchase Order and all obligations of the Buyer.

21. GOVERNMENT REGULATION: In furnishing the materials or services covered by this Purchase Order, Seller agrees to comply with the provisions of all applicable federal, state and local laws, rules, regulations, ordinances and orders.

22. NOTICES: All notices under the Purchase Order shall be deemed to be adequate and sufficient notice if given in writing and received via a) registered or certified mail; b) a recognized overnight air courier; or c) personal hand delivery. All notices shall be sent to the Purchasing department.

23. GOVERNING LAW; VENUE: This contract shall be constructed and enforced in accordance with Michigan law. Each party hereby submits to the jurisdiction of the State and Federal courts located in the State of Michigan, over any action proceeding to enforce or defend any matter arising from or related to this Purchase Order, and Seller agrees not to institute and such legal action or proceeding in any other court.

24. AUDIT: The Seller shall provide the Buyer and other applicable governmental agencies reasonable access to any books, records, documents or papers of the Seller which are directly pertinent to the Purchase Order for purpose of making audit, examination, excerpts and transcriptions.

25. REPORTING | DOCUMENTATION: The Seller shall provide all reasonably necessary reporting and documentation to permit the Buyer to comply with applicable laws.

26. CONFIDENTIAL DATA: The Seller agrees that it will never at any time, directly or indirectly use or disclose any Confidential Information of the Buyer without the written consent of the Buyer. All records, forms and supplies or any reproduced copies provided and furnished by the Buyer to the Seller shall always remain the property of the Buyer and shall be returned on demand, or upon termination of this Purchase Order. Further, any information obtained by Seller, or any reports prepared or supplied (including information contained therein) to the Buyer under the performance of the Purchase Order shall not be directly or indirectly disclosed by Seller without the express written permission of Buyer.

27. BUYER'S REMEDIES: Upon the occurrence of an event of default by Seller, Buyer shall: (a) have all rights and remedies afforded by Article 2 of the Michigan Uniform Commercial Code; (b) be entitled to reduce quantities under this Purchase Order to the extent Buyer rejects Goods as nonconforming; (c) have the right to cancel all or any part of this Purchase Order, without liability to Seller; (d) be entitled to collect from Seller all of its damages, costs and expenses associated with Seller's breach, including incidental and consequential damages, court costs and attorney's fees. All rights and remedies reserved to Buyer under this Purchase Order are cumulative in addition to all other or further remedies provided in law or equity and in addition to all remedies provided for in the Supply Agreement. Buyer's payment for or acceptance of any Goods under this Purchase Order shall not discharge Seller from its obligations. Nonconforming Goods shall not be replaced without Buyer's written permission. Nonconforming Goods will be held by Buyer for disposition in accordance with Seller's instructions at Seller's risk. Seller's failure to provide written instructions within ten (10) days, or such shorter period as may be commercially reasonable under the circumstances, after notice of nonconformity, shall entitle Buyer, at Buyer's option, to charge Seller for storage and handling, or to dispose of the Goods, without liability to Seller. Payment for nonconforming Goods shall not constitute an acceptance of such Goods, limit or impair Buyer's right to assert any legal or equitable remedy, or relieve Seller's responsibility for latent defects.

28. INSURANCE: Seller shall at all times carry and maintain insurance coverage in reasonable amounts covering workers compensation, comprehensive general liability (including products/completed operations and blanket contractual liability), and automobile liability. Seller shall fully insure any and all property of Buyer which is in Seller's possession (including work-in-process for which Buyer has paid, whether or not title has passed) against loss or damage to the extent of its insurable value, without deductible, at Seller's cost, and to designate Buyer as the loss payee. Seller shall provide evidence of such coverage to Buyer upon request. Seller shall provide Buyer with not less than 30 days advance written notice of any threatened or proposed reduction or termination of insurance coverage by those persons providing insurance to Seller.