

MUNROE, INCORPORATED

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

1. **Exclusive Application.** The following terms and conditions ("These Terms") constitute the exclusive terms and conditions that will apply to the issuance of any purchase order ("Purchase Order") by, or the provisions of goods or services to, Munroe, Incorporated ("Munroe") by any vendor or supplier of such goods or services ("Seller"). No addition to or modification of These Terms and no other agreements, proposals or understandings shall be binding upon Munroe unless made in writing and signed by a representative of Munroe's Purchasing Department. Acceptance of a Munroe Purchase Order and/or the provisions of goods or services to Munroe by Seller shall constitute Seller's acceptance of these exclusive terms and conditions of purchase. Acceptance of, or payment for, any goods or services by Munroe shall not constitute Munroe's acceptance of any contrary or additional terms and conditions proposed by Seller and all such contrary or additional terms or conditions are deemed immaterial and are hereby rejected. Any reference to Seller's bids, offers or proposals contained in any Purchase Order of Munroe is solely for the purpose of incorporating the descriptions and specifications of the goods and/or services contained in such offer, bid or proposal, but only to the extent that those descriptions and specifications do not conflict with the terms hereof or in the Purchase Order.

2. **Prices/Financial Terms.** All prices and other financial terms as set forth on any Munroe Purchase Order are firm and shall include all federal, state and local taxes, tariffs, fees and other governmental charges. Seller shall not charge Munroe for any packing cases, containers, drums or other packaging materials or services unless specifically set forth on the Munroe Purchase Order. Except as expressly provided on any Munroe Purchase Order, the commencement of any payment and/or applicable discount period shall begin on the later of (a) three (3) business days after shipment is received by Munroe, (b) the date Seller's invoice is received by Munroe, or (c) the date of Seller's invoice.

As a material inducement to Munroe to purchase goods or services from Seller, Seller warrants and agrees that the prices, discounts and other financial terms for any goods or services provided to Munroe are and shall be the most favorable from Seller for comparable goods and/or services regardless of quantity.

3. **Shipping and Billing.** Unless expressly stated otherwise on the Purchase Order, all goods shall be shipped by Seller FOB to the "Ship to" location designated and when required on the Purchase Order. All services shall be performed when, where and as required on the Purchase Order. TIME IS OF THE ESSENCE IN THE DELIVERY OF THE GOODS AND/OR PERFORMANCE OF THE SERVICES COVERED HEREBY. Seller assumes full responsibility for packing, crating, marking, storage, insurance, transportation and liability for loss and/or damage even if Munroe has agreed to pay freight, delivery or other transportation charges. Munroe shall have the right to designate the carrier and the shipping and delivery routing for all goods covered on the Purchase Order. Unless Munroe specifically directs otherwise, or when terms of purchase require shipment with freight prepaid, Seller shall route the shipment to secure lowest tariff rates, taxes and government fees and charges, taking into account all discounts available. If Seller ships via a higher rated route, Seller shall pay, or reimburse Munroe for, or credit to Munroe's account, such excess tariff, taxes or other fee charges.

The shipping notice must be issued to Munroe on the date of shipment to the "ship to" location designated by Munroe, as point of destination. Goods arriving without proper notices having been received will be held until the desired information is furnished, and all demurrage thus accruing shall be for Seller's account. Shipments to each location shall be invoiced separately. Invoices shall state the Purchase Order number, item number, shipping point, place of delivery, route destination, whether the freight is prepaid or collect, and the terms of payment. Invoices not rendered in accordance with these instructions will be returned and the discount date will be based upon the date the corrected invoice is received by Munroe.

4. **Packaging.** All goods shall be shipped fully assembled (or where not practicable to do so, as completely assembled as permitted by the carrier), suitably packed and accompanied by a packing list. Cartons containing packing lists must be so marked. Uncrated or bundled goods must be tagged with waterproof tags. No charge for packing, handling or transportation shall be made unless stated in the Purchase Order.

5. **Warranty.** Seller expressly warrants that all goods delivered will be (i) new, of merchantable quality and fit for the purpose intended by Munroe, (ii) free from defects in material and workmanship, (iii) comprised of raw materials and components of the highest quality used by Seller or its supplier in producing such goods; (iv) of the quantities, quality, size, dimensions, specifications, drawings, samples, and descriptions (including performance specifications) (collectively, "Requirements") furnished to or by Munroe, and (v) conveyed with clear title thereto, free of any lien or claim of any nature by any third person. Seller warrants that all services performed shall be in conformity with the terms hereof including all of Munroe's Requirements, shall be performed in a good and workmanlike manner in accordance with current industry standards and shall be fit for any purpose intended by Munroe. These express warranties shall not be waived by reason of acceptance or payment by Munroe. In addition, and without limiting any warranties or remedies provided for herein, These Terms incorporate by reference all terms of the Uniform Commercial Code as adopted in the Commonwealth of Pennsylvania (the "UCC") providing any protection to Munroe including, but not limited to all warranty

protection (express or implied) and all other remedies under the UCC. All of the rights, warranties and remedies provided for herein are made for the benefit of Munroe and its distributors and end customers or users, if applicable, and shall be fully transferable to and enforceable by such distributors and end customers or users.

6. **Non Conforming Goods.** All goods received shall be subject to Munroe's right of inspection and rejection. Munroe shall have a reasonable time within which to inspect the goods and shall not be obligated to inspect goods purchased as spare parts, inventory or for future use until the same are to be used by Munroe. Excess or defective goods or goods not in conformance with Munroe's Requirements will be held for a reasonable period of time for disposition in accordance with Seller's instructions at Seller's risk and expense and if Seller directs, will be returned at Seller's expense. Returned goods may be replaced by Seller only upon issuance by Munroe of a new Purchase Order placed by a duly authorized representative of Munroe. If inspection discloses that a portion of the goods received are not in conformance with the Requirements, Munroe shall, at its election, have the right to (i) cancel the Purchase Order, (ii) require Seller to repair or replace the non-conforming goods or re-perform the services, (iii) purchase substitute goods or services elsewhere and charge Seller with any cost, charge or loss incurred, or (iv) seek damages from Seller. Payment for goods or services furnished or performed pursuant to the Purchase Order shall not constitute acceptance thereof by Munroe and such payments shall be deemed to have been made without prejudice to any and all claims Munroe may have against Seller. The remedies above provided to Munroe are not exclusive and are in addition to all other remedies available to Munroe pursuant to law, the Purchase Order or otherwise.

7. **Purchase Order Modification or Termination.** Munroe reserves the right to modify a Purchase Order with respect to quantities, delivery schedules, and/or Requirements by delivering one or more revisions of such Purchase Order to Seller. If Seller's costs are reduced because of such revisions, Seller shall reduce the Purchase Order price to reflect all such quantifiable cost savings, whether direct or indirect. If Seller's costs are increased because of such revisions, Munroe will consider Seller's request for a reasonable adjustment to the Purchase Order price; provided, however, that if Seller does not notify Munroe of a cost impact within ten (10) days of the issuance of the revision, then Seller shall be deemed to waive any claim for a price increase due to the revision. Munroe may also terminate a Purchase Order or any part thereof for any reason at Munroe's convenience upon written notice to Seller. Upon such termination, Seller agrees to waive all claims for damages, including those for loss of anticipated profits, and to accept as its sole remedy for termination the value of all work performed prior to the termination; provided, however, that Munroe shall have no liability whatsoever for goods which are Seller's standard stock. If requested in writing by Seller, Munroe will consider Seller's written request for reimbursement of reasonable costs occasioned by termination. Any request by Seller for adjustment attributable to a revision or termination of a Purchase Order must be made within thirty (30) days from the date when the revision or termination was issued to Seller; otherwise, such request will not be entertained by Munroe.

8. **Ownership of Intellectual Property.** Any and all intellectual property (inclusive of drawings, patterns, molds, models, specifications or other information or materials) (collectively "Intellectual Property") provided by Munroe to Seller shall be and remain the sole property of Munroe and, other than the limited right to use such Intellectual Property to produce the goods or perform the services hereunder, Seller shall have or acquire no right, title or interest therein. Any and all Intellectual Property provided by Seller to Munroe in connection with the goods or services covered by the Purchase Order (the "Purchased Intellectual Property") shall become Munroe's property and shall be considered to be works for hire. Seller hereby assigns to Munroe all of its right, title and interest in the Purchased Intellectual Property and agrees to execute any additional documents that may be required to confirm such assignment as may be reasonably requested by Munroe. Seller warrants that the sale, licensing or use of the goods and services covered by the Purchase Order (including the Purchased Intellectual Property) will not infringe or contribute to the infringement of any patents, trademarks, copyrights or other intellectual property rights of any third party, either in the United States or in other countries, and Seller covenants to defend and indemnify Munroe and its distributors and end customers or users, at Seller's sole cost and expense, against every suit for any such actual or alleged infringement which may be brought against Munroe or any of its distributors and end customers or users, and to pay all expenses and fees of counsel which shall be incurred in defending, and all costs, damages, profits or other recoveries in every such suit.

9. **Delays/Force Majeure.** Shipment and delivery date(s) specified in the Purchase Order are of the essence. In the event of causes beyond the reasonable control of Seller or Munroe, such as acts of God, acts of civil or military authorities, Governmental policies, fires, strikes, lockouts, floods, epidemics, war, riot, or other contingency or circumstance, the non-occurring of which was a basic assumption on which any Purchase Order was issued, the party affected thereby shall promptly notify the other party of such event and shall use its best reasonable efforts to remedy the situation. In such event affecting Seller, Seller shall not be liable for delays in manufacture or delivery of goods and services, provided Seller allocates all available production, inventories and deliveries in satisfaction of its obligations to Munroe. In such event affecting Munroe, Munroe shall not be liable to accept any part of such goods and services.

10. **Indemnity.** Seller shall defend, indemnify and hold harmless Munroe and its agents, employees, representatives, officers and directors and its and their respective successors and assigns from and against any and all claims, actions, damages or causes of action at law or in equity, together with any and all losses, costs, and expenses and attorneys fees arising in connection therewith or related thereto (i) that are asserted by any party for damage to property, bodily injuries, diseases or death (including any worker's compensation claims) arising or in any manner growing out of the work governed by the Purchase Order, (ii) that relate to or arise out of any claim asserted by, through or under Seller or its subcontractors, material, men and suppliers (including mechanic's lien claims), or (iii) that arise from any breach by Seller of any of the warranties, covenants, terms or conditions of the Purchaser Order, including These Terms.
11. **Compliance with Laws/Permits.** Seller represents, warrants and agrees that the goods to be delivered and/or the services to be performed have been or will be, manufactured, sold and delivered or performed, as applicable, in compliance with all applicable federal, state, local, and foreign laws and all lawful orders, rules and regulations promulgated thereunder or in connection therewith, including, but not limited to, any applicable unemployment, workers' compensation or environmental laws, the Occupational Safety and Health Act, and the Fair Labor Standards Act. Seller will, at Seller's sole expense, secure and maintain in full force any and all licenses, permits, approvals, authorizations, registrations and certificates, if any, required by any applicable law, rule, regulation, ordinance, or governmental authority. At Munroe' request, Seller shall provide to Munroe copies of any or all such licenses, permits, approvals, authorizations, registration and certificates.
12. **Confidentiality.** In the course of performing services or producing and delivering goods, the Seller and its subcontractors, if any, may have access to "Confidential Information" (as hereinafter defined) of Munroe, which Munroe desires to protect from unauthorized disclosure. For the purposes hereof "Confidential Information" shall mean any and all information, data, documents or other materials relating to the Purchase Order, all Intellectual Property, marketing information, financial information, business plans and other information or materials which are non-public, confidential or proprietary in nature. Seller (including its officers, directors, members, employees, agents and subcontractors) shall hold all such Confidential Information in strict confidence and shall not disclose nor release in any manner such Confidential Information to any third party, except as expressly provided herein, nor use such Confidential Information for any purpose other than as may be necessary to perform the services or produce or deliver the goods provided for in the Purchase Order.
13. **Health and Safety.** All materials supplied under the Purchase Order must satisfy current governmental and safety considerations on restricted, toxic and hazardous materials, as well as environmental, electrical and electromagnetic considerations (applicable to the country of manufacture and sale). A Material Safety Data Sheet ("MSDS") and subsequent revisions thereof that comply with O.S.H.A. requirements (29 C.F.R. 1920.1200) must be provided to the using location with the initial shipment and first shipment after revisions for all hazardous materials that are the subject of the Purchase Order. The MSDS must indicate the Purchase Order number and release number and the receiving location and phone number shown on the face of the Purchase Order. All containers of hazardous materials shall be properly labeled in accordance with Section 1910.1200, paragraph (f) of the O.S.H.A. hazards communication standard. Containers not meeting these labeling requirements shall be subject to refusal of delivery at the receiving location and will be returned at the expense of Seller.
14. **Services.** Seller shall perform all services hereunder free and clear from any liens or other claims of any contractors, subcontractors and material men retained by Seller, and Seller shall defend, indemnify, and hold Munroe harmless with respect thereto. If Seller is to perform services on Munroe's property then Seller shall conform strictly to all of Munroe's site rules and regulations. Prior to the performance of any work on Munroe's premises, Seller shall obtain and maintain at all times comprehensive general liability and property damage insurance as required by Munroe but in no event in an amount of less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and worker's compensation and employers' liability insurance in the amount no less than the requirements of the jurisdiction in which the work is to be performed. Seller shall provide coverage for any legal liability which may exceed the underlying limits of insurance coverages required herein pursuant to a Comprehensive Excess Indemnity policy (commonly referred to as an "Umbrella" policy) with aggregate limits of \$5,000,000. All such policies shall name Munroe as an additional insured and shall contain a waiver of subrogation against Munroe.
15. **Liens and Claims.** If goods covered by the Purchase Order are to be fabricated, assembled or installed in whole or in part upon Munroe's premises, Seller shall keep such premises free of all mechanic's and similar liens arising in connection with work covered by the Purchase Order and shall execute or cause to be executed and submit with each invoice such lien waivers, sworn statements and related forms as Munroe shall request. Seller shall execute such documents as Munroe may reasonably require as evidence of Munroe' interest in any equipment or property owned by Munroe in the possession of Seller.
16. **Miscellaneous.**
 - (a) **Modifications.** These Terms may not be amended, modified or supplemented except in a writing signed by an authorized representative of Munroe.
 - (b) **Assignment.** Seller shall not assign any right or delegate any duty hereunder without the prior written consent of Munroe. These Terms shall be binding upon and inure to the benefit of Seller and Munroe and their respective heirs, successors and permitted assigns.
 - (c) **Governing Law.** The rights and obligations of Seller and Munroe shall be governed by the laws of the Commonwealth of Pennsylvania without giving effect to conflicts of law provisions. Seller and Munroe agree that any action or claim arising out of any dispute in connection with These Terms, the Purchase Order, or the provision of goods or services pursuant to the Purchase Order shall be brought in any state or federal court situated in Allegheny County, Pennsylvania, and Seller hereby irrevocably consents to the exclusive jurisdiction of such court and to service of process in any such suit being made upon Seller by any permissible method. Seller hereby waives any objection that it may now or hereafter have to the venue of any such suit or that such suit is brought in an inconvenient court. Seller and Munroe expressly agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply.
 - (d) **Disputes; Attorney Fees.** The parties shall first attempt to resolve any dispute regarding, or claim brought under or in connection with These Terms or the Purchase Order or any goods or services to be provided pursuant thereto, by exchange of documents by senior management of the parties, who may be assisted by counsel. Any thereafter unresolved matters shall be governed by the Sub-Section entitled "Governing Law". In connection with any of the foregoing, Seller shall pay to Munroe on demand any and all expenses, including reasonable attorneys' fees, expenses and disbursements, incurred or paid by Munroe in collecting any amounts owed by Seller to Munroe, in protecting, preserving or enforcing any of Munroe' rights and remedies against Seller or otherwise expended in connection with the Transactions.
 - (e) **Waiver.** The failure of Munroe or Seller at any time to require performance by the other party of any provision of a Purchase Order, including These Terms, shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by either Munroe or Seller of a breach of any provision of a Purchase Order, including These Terms, constitute a waiver of any succeeding breach of the same or any other provision.
 - (f) **Severability.** If any term of the Purchase Order, including These Terms, is invalid or unenforceable under any statute, regulation, ordinance, executive order, or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, executive order, or rule of law, and the remaining provisions of the Purchase Order, including These Terms, shall remain in full force and effect.
 - (g) **Setoff.** Munroe may withhold out of amounts otherwise due Seller under a Purchase Order or any other agreement with Seller, such sums sufficient to compensate itself for any amount at any time that may be owed by Seller to Munroe in connection with the Purchase Order or such other agreement. This right of "setoff" shall be in addition to, and not exclusive of, any other rights or remedies provided in These Terms or by law or equity.
 - (h) **Complete Agreement.** The Purchase Order, together with the attachments, exhibits, or supplements specifically referenced therein and including These Terms, constitute the entire agreement between Seller and Munroe with respect to the subject matter contained therein, and supersede all prior oral or written representations, proposals, and agreements.