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PURCHASE ORDER TERMS AND CONDITIONS

This purchase order ("Order") is an offer to Seller by W. Soule & Co. ("W. Soule") to enter into the agreement it describes. Seller shall accept the offer in writing or by beginning work hereunder.

1.0 ACCEPTANCE

Any acceptance of this purchase Order constitutes acceptance of all terms contained herein without modification. No prior or current course of dealing, usage of trade or custom of the industry or printed form of Seller, such as billing invoice, bill of lading or packing list, shall modify or supplement the terms of the Order. No amendment, alteration, modification, or waiver of the terms of this Order shall be valid or enforceable unless in writing specifically referring to this Order and signed by the party sought to be charged. Commencement of work or shipment of any part of the goods covered by this Order constitutes acceptance of all its terms and conditions.

2.0 AGREEMENT

Prior courses of dealing and performance and trade usage and verbal agreements not reduced to a writing signed by W. Soule, to the extent they differ from, modify, add to or detract from the terms herein, shall not be binding on W. Soule. This Order and any accompanying documents embodies the entire agreement and understanding between Seller and W. Soule and supersedes all prior agreements and understandings relating to the subject matter hereof, whether oral or written.

3.0 IDENTIFICATION AND INVOICING

The order number must appear on every document or communication relative hereto. A packing slip must accompany each shipment. Seller shall render an invoice electronically or in duplicate original for each shipment or service applying against this Order. Invoices with bills of lading or prepaid expense bills attached shall be directed to the billing address listed in the documentation and accompanying this Order ("Documentation") unless otherwise specified. Invoices shall not cover more than one Order and must show cash discount terms. W. Soule reserves the right to calculate the applicable discount period based on the terms agreed to by the parties. All electronic transmissions made pursuant to this Order shall be considered written communications for all purposes and for all applications of law (including any applicable statute of frauds).

4.0 SHIPPING INSTRUCTIONS

All goods shall be shipped freight prepaid, F.O.B. destination, unless otherwise stated in the Documentation. Shipments shall be routed or shipped as specified in the Documentation or where not specified via the least expensive method to meet W. Soule's delivery time and requirements as specified in the Documentation. W. Soule's count of the goods will be final as to all shipments not accompanied by a packing slip. Notwithstanding the use of any F.O.B. or other term on the face of this Order to the contrary, Seller assumes all risk of loss of the goods until the goods are fully received at their destination.

4.0 DELIVERY

Delivery times specified are of the essence and are for delivery at W. Soule's designated destination. Seller will promptly inform W. Soule of any occurrence which will, or is expected to, result in a delivery at any time or in any quantity not specified in this Order. Unless W. Soule has given Seller an extension of time in writing, W. Soule may reject and/or return, at Seller's expense and risk of loss, any delivered or tendered delivery of goods that is received after any specified delivery date. W. Soule's acceptance of

CORPORATE OFFICE

P.O. Box 2169 (49003) | 7125 S. Sprinkle Road | Portage, MI 49002
(269) 324-7001 | Fax (269) 324-7950
www.wsoule.com



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goods or services delivered or performed after the scheduled delivery date will not waive W. Soule's right with respect to such late delivery nor shall it constitute a waiver of future compliance with the terms hereof. Premium shipping expenses and/or other related expenses necessary to meet delivery schedules shall be Seller's sole responsibility.

5.0 INSPECTION/REJECTION

Goods are subject to W. Soule's inspection and approval at destination to insure compliance with the specifications of this Order. W. Soule may reject goods for noncompliance. Any such rejected goods shall remain the responsibility of Seller, and Seller shall promptly reimburse W. Soule for any expenses incurred to return or dispose of non-conforming goods. Title to goods shall pass to W. Soule upon delivery of conforming goods.

6.0 TAXES

W. Soule shall pay state and local sales or use taxes or provide an exemption certificate to Seller. Seller shall pay all other taxes which may be levied or become due as a result of this transaction.

7.0 ASSIGNMENT

Seller shall not assign or subcontract any performance of this Order, including any right to payment, without W. Soule's prior written consent.

8.0 DEFAULT

W. Soule may, subject to the provisions of paragraph 9.0, by written notice to Seller, cancel all or any part of this Order or exercise any other remedy provided by law or in equity, if:

1. Seller fails to deliver the goods or perform services within the time specified therefore;
2. In W. Soule's good faith judgment, Seller is in breach of any of the terms or conditions of this Order, Seller fails to perform any of the other provisions of the Order, or Seller fails to make progress so as to endanger performance of this Order in accordance with its terms, and does not cure such failure within a period of ten days, or such longer period as W. Soule may authorize in writing, after receipt of notice from W. Soule specifying such failure;
3. There is a change in voting control or economic ownership of Seller; or
4. Seller becomes insolvent or makes an assignment for the benefit of creditors, or there shall be instituted by or against Seller any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt or insolvency law.

9.0 REMEDIES

If W. Soule cancels this Order in whole or in part as provided in paragraph 8.0, W. Soule may procure, upon such terms and in such manner as W. Soule may deem appropriate, goods or services similar to those cancelled, and Seller shall be liable to W. Soule for any excess costs incurred to procure such similar goods and services. Seller shall continue the performance of this Order to the extent not cancelled.

10.0 FORCE MAJEURE

No failure in performance of any obligation set forth herein by either party shall be deemed a breach of this Order if the same arises from any cause, event or condition that was not foreseeable by the party and was beyond the reasonable control of such party, and if the party relying on the occurrence as an excuse for delay or non-performance promptly informs the other party of the occurrence (but in any event within 24 hours following the occurrence).



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11.0 WARRANTIES

Seller warrants that its' goods and services will be merchantable and will not contain any deficiencies or defects in materials and/or workmanship. Seller warrants that all goods manufactured and supplied by Seller and all services performed by Seller under this Order shall conform to (i) applicable specifications, drawings, samples and descriptions, (ii) U.S. industry standards, and (iii) all laws and regulations in force in countries where W. Soule's products or services incorporating Seller's products or services are to be sold. In addition, Seller acknowledges that Seller knows of W. Soule's intended use and expressly warrants that all goods covered by this Order which have been selected, designed, manufactured or assembled by Seller, based upon W. Soule's intended use, will be fit and sufficient for the particular purpose intended by W. Soule. Seller also warrants that all goods and the results of services performed shall be free and clear of all liens, claims, charges or encumbrances of any kind. All goods delivered under this Order shall be new and comply with all applicable laws rules and regulations. Seller agrees to honor such warranties without cost to W. Soule for the longer of (a) the two-year period beginning on the date of delivery to W. Soule or (b) any such longer period set forth in any supply agreements between Seller and W. Soule, or in the Documentation, or in Seller's advertising or promotional materials, or (c) the period provided by applicable law.

12.0 INFRINGEMENT

Seller warrants that W. Soule's purchase, manufacture, installation, use and/or resale of the goods covered hereby will not result in any claim of infringement or actual infringement of any patent, trademark, copyright, franchise, or other intellectual property right or any claim of misappropriation of third party proprietary rights, e.g., trade secrets. All copyrightable works of original authorship (including but not limited to computer programs, technical specifications, documentation and manuals), ideas, inventions (whether patentable, patented or not), know-how, processes, compilations of information, trademarks and other intellectual property (collectively, "Deliverables") shall be original to Seller and shall not incorporate any intellectual property rights (including copyright, patent, trade secret, mask work, or trademark rights) of any third party. All Deliverables which are created in the course of performing this Order are owned by W. Soule and not by Seller and are "works made for hire" as that term is used in connection with the U.S. Copyright Act. Seller hereby assigns to W. Soule all right, title and interest in and to all Deliverables, inventions, trademarks, copyrights, industrial design rights and other proprietary rights in any material created for and paid for by W. Soule under this Order. Technical information and data furnished to W. Soule in connection with this Order are disclosed on a non-confidential basis. Seller shall indemnify and hold W. Soule harmless from and against all claims, losses, expenses, damages, causes of action and liabilities of every kind and nature, including reasonable attorney fees, arising from or out of any breach of the foregoing warranties or covenants.

13.0 INDEMNIFICATION/LIABILITY

Seller agrees to defend, indemnify and hold W. Soule harmless:

1. From (a) any cause of action, demand, claim liability, loss or expense of any kind or nature, including attorney's fees, for any injury to or death of persons (including employees of W. Soule) or damage to property (including W. Soule's property) incident to or arising from or alleged to arise from the supply, design, manufacture, production, delivery or use of the goods described herein or services provided hereunder, except those proximately caused by W. Soule's sole negligence, (b) all liability or expense arising from violations by the Seller of any applicable laws, rules and regulations concerning the supply, design, manufacture, production, sale, price or delivery of the goods or services provided for herein, or (c) any damages or liability incurred by W. Soule and caused by or arising from any breach of the terms of this Order by Seller.
2. Seller is solely liable for the acts and omissions of its employees, agents, contractors, and subcontractors and will defend and protect W. Soule from all losses, claims, expenses and



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damages, including attorney's fees, arising from or out of the presence or activity of Seller's personnel while at W. Soule's premises.

14.0 INSURANCE

Seller shall obtain and maintain at its sole expense insurance coverage as requested by W. Soule with such insurance carriers and in such amounts as are acceptable to W. Soule. Seller shall furnish to W. Soule certificates of insurance setting forth the amount of coverage, policy number and date(s) of expiration for insurance maintained by Seller, and such certificates must provide that W. Soule shall receive thirty (30) days prior written notification from the insurer before any termination or reduction in the amount or scope of coverages. If so requested by W. Soule, Seller will have W. Soule added as an additional insured on such policies.

15.0 TRUCKING/CARGO

If applicable, Seller shall maintain Motor Truck Cargo Liability Insurance to cover loss of or damage to any W. Soule-owned, leased, or rented property/cargo whether in transit or under the Seller's care and or custody. Policy limits need to equal the value or replacement cost of the property insured. Seller needs to comply with Federal and State Regulations and provide the MCS-90 endorsement. Certificate to be issued without tariff clause.

16.0 CONFIDENTIALITY

This order is confidential between W. Soule and Seller. Seller shall not publish or disclose any details concerning this Order, including pricing, to any third party without W. Soule's prior written consent. Any separate and pre-existing Confidentiality Agreement, Non-Disclosure Agreement or similar written agreement between the parties is hereby incorporated by reference, and shall only be superseded or modified to the extent same conflicts with any term or provision of this Order.

17.0 SEVERABILITY

In the event any one or more of the provisions of this Order shall for any reason be held invalid, illegal, or unenforceable, the remaining provisions of this Order shall be unimpaired.

18.0 GOVERNING LAW; JURISDICTION

This Order shall be governed and construed for all purposes in accordance with the internal laws of the State of Michigan. All disputes related in any way to this Order shall be resolved exclusively in the Michigan State courts and Federal courts having jurisdiction over and located in Kalamazoo County, Michigan. Each party submits to the jurisdiction of such courts, agrees that service of process for such courts shall be valid if served by U.S. mail upon the party at any address at which such party maintains an office or other facility, and waives its rights to object to venue on the basis of inconvenient forum or otherwise.

19.0 AUDITS

If any part of the payment provided for hereunder is to be made on the basis of Seller's costs or other flexible billing basis, Seller agrees to:

1. Maintain such books and records for a period of 7 years from the date such costs were incurred and
2. Make such books and records available to W. Soule for audit at any reasonable time or times within said Seven (7) year period.

20.0 WAIVER

Any failure of W. Soule to insist upon strict performance of any of the terms of this Order, or to exercise any rights here under, shall not be construed as a waiver of W. Soule's rights.



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21.0 EQUAL OPPORTUNITY EMPLOYMENT

Seller agrees to comply with all applicable equal employment opportunity laws.

22.0 TERMINATION

W. Soule reserves the right to terminate this Order or any part hereof (i) for its sole convenience and/or (ii) for cause if Seller Defaults (as defined in Section 8.0) or fails to comply with any of the terms herein, including without limitation, late deliveries or deliveries of products or services which are defective or which do not conform to this Order. In the event of termination for convenience, Seller shall (i) immediately stop all work hereunder and shall immediately cause Seller's suppliers or subcontractors to cease such work, (ii) be paid a reasonable termination charge consisting of a percentage of the Order price reflecting the percentage of the work performed prior to the notice of termination and (iii) not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided. Any claim by Seller for payment of the termination charge provided for hereunder shall be deemed waived unless asserted in writing to W. Soule within fifteen (15) days after receipt by Seller of the notice of termination. In the event of termination for cause, W. Soule shall not be liable to Seller for any amount.

23.0 MISCELLANEOUS

a. Safety and Environmental. In accordance with 29 CFR 1910.1200, Seller must, prior to delivery of the first shipment of goods or materials, deliver to W. Soule the most current Safety Data Sheet for each element, chemical, chemical compound and chemical mixture named in this Order or included in any goods or services supplied pursuant to this Order. Any of Seller's employees, and any contractor or subcontractor employed by Seller, who has access to W. Soule's property or the property of others in connection with this Order must comply with all applicable state, federal, local or customer laws, regulations or provisions pertaining to Safety, Health and Environment as well as all of W. Soule's policies and procedures related to safety, security, drug-free workplace, vendor background checks, and similar matters.

b. Changes. W. Soule reserves the right at any time to direct changes, or cause Seller to make changes, to the design (including drawings and specifications) processing, methods of packing and shipping and the date or place of delivery of the goods covered by this Order or to otherwise change the scope of the work covered by this Order including work with respect to such matters as inspection, testing or quality control, and Seller agrees to promptly make such changes. Any such changes shall be deemed not to affect the time for performance or cost unless Seller notifies W. Soule in writing within ten (10) days of receipt by Seller of notice of any change order. Seller shall not make any change in this Order without the written approval of W. Soule. In addition, without W. Soule's prior written approval, Seller shall not change (i) any third party supplier to Seller of services, raw materials or goods used by Seller in connection with its performance under this Order, (ii) the facility from which Seller or such supplier operates, or (iii) the nature, type or quality of any services, raw materials or goods used by Seller or its suppliers in connection with this Order.

c. W. Soule's Property. If W. Soule furnishes or supplies Seller with any designs, drawings, specifications, blueprints or other materials which contain proprietary information, Seller shall not disclose or use for the benefit of Seller or others such designs, drawings, specifications, blueprints or other material, including any copies thereof, except with the prior written approval of W. Soule.

d. Set-Off. In addition to any right of setoff or recoupment provided by law, all amounts



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due Seller shall be considered net of indebtedness or obligations of Seller to W. Soule, and W. Soule may setoff amounts owed by W. Soule to Seller against any amounts owed by Seller to W. Soule however and whenever arising.

e. Financial and Operational Condition of Seller. Seller will permit W. Soule and its representatives to review Seller's books and records concerning compliance with this Order and Seller's overall financial condition. Seller agrees that if Seller experiences any delivery or operational problems, W. Soule may, but is not required to, designate a representative to be present in Seller's applicable facility to observe Seller's operations. Seller agrees that if W. Soule provides to Seller any accommodations (financial or other) that are necessary for Seller to fulfill its obligations under this Order, Seller will reimburse W. Soule for all costs, including attorneys' and other professionals' fees, incurred by W. Soule in connection with such accommodation and will grant access to W. Soule to use Seller's premises, machinery, equipment and other property necessary for the production of goods covered by this Order under an access agreement.