

## TERMS AND CONDITIONS

**ACCEPTANCE.** Acceptance of this Purchase Order is hereby expressly limited to the terms and conditions hereof. Any terms proposed by Seller which add to, vary from, or conflict with the terms herein shall be of no force or effect. If this Purchase order has been issued by Thierica Display Products, Inc., Thierica Equipment Company, or Multi Feed Automation, Inc. (each of which is referred to herein as "Thierica") in response to an offer, the terms of which are additional to or different from any of the provisions hereof, then the issuance of this Purchase Order by Thierica shall constitute an acceptance of such offer subject to the express condition that this Purchase Order constitutes the entire agreement between Thierica and Seller.

**DELIVERY.** The obligation of Seller to meet the delivery dates, specifications, and quantities as set forth herein is of the essence of this order. Except as otherwise provided herein, title and risk of loss on all goods supplied to Thierica hereunder shall pass to Thierica upon delivery to Thierica's dock, f.o.b. place of destination.

**TAXES.** Unless otherwise indicated, the prices set forth in this Purchase order do not include applicable federal, state, and local taxes. Seller agrees to pay all federal, state and local taxes, and personal property taxes ad valorem, or value added, assessed or otherwise levied against any property placed in the hands of Thierica by Seller.

**INSPECTION.** If any of the goods hereunder shall be defective in material or workmanship, or otherwise not in conformity with the requirements of this order, Thierica, in addition to its other rights, may reject the same for full credit or may re-work same at Seller's expense, or require prompt correction or replacement thereof at Seller's expense, including transportation charges. Nothing herein shall relieve Seller of the obligation to make full and adequate testing and inspection of goods sold hereunder. In the event that this Purchase order covers the acquisition of capital equipment, or goods and services related thereto, Thierica reserves the right to make final inspection and acceptance of such equipment, or related goods and services, after final installation.

**RETURNS.** Thierica, in the event of termination of a contract or sales arrangement by a purchaser from Thierica, shall have the right to return to Seller, for full credit, unused blank parts, unopened paint containers, and other materials purchased hereunder for which Thierica no longer has use.

**WARRANTY.** Seller warrants that all goods or services ordered hereunder will conform to the specifications, drawings or samples, whether furnished by Seller or provided by Thierica, and will be merchantable and free from any defects in material, design and workmanship; and Seller further warrants that all material purchased hereunder is manufactured in accordance with the Seller's specifications and shall be fit and sufficient for the purposes for which it was intended. Seller shall hold Thierica harmless from any loss, damage, or expense whatsoever, including attorneys' fees, that Thierica may incur as a result of any breach of such warranties.

**DEFAULT.** In the event of Seller's default or apparent inability to perform this order, Seller agrees, upon demand by Thierica, to deliver to Thierica the raw materials and work in process acquired in order to perform under this order, and Thierica may then complete the work, deducting the cost of such completion from the price, or in the alternative, pay to Seller the reasonable cost of such raw materials and work in process.

**PATENTS, ROYALTIES, AND ENCUMBRANCES.** All goods and services supplied shall be free from liability or royalties, patent rights, liens, or other encumbrances. Seller warrants that the goods specified in this Purchase Order and their sale or use alone, or in combination according to Seller's specifications or recommendations, if any, will not infringe upon any United States or foreign patents. Seller agrees to indemnify and hold harmless Thierica and anyone selling or using any of Thierica's products, against all judgments, decrees, costs and expenses resulting from any alleged infringement, and Seller further agrees that, upon request of Thierica and at Seller's expense, Seller will defend Thierica against all claims of infringement.

**COMPLIANCE WITH LAWS.** Seller warrants that no law, rule, regulation or ordinance of the United States, a state or local government, or any other governmental agency, has been violated in the manufacture or sale of the items, or in the performance of services covered by this order, and will indemnify and hold Thierica harmless from loss, cost or damage as a result of any such actual or alleged violation.

**GRATUITIES.** Seller warrants that it has not offered or given and will not offer or give to any employee, agent, or representative of Thierica any gratuity with a view toward securing any business from Thierica by influencing such person with respect to the terms, conditions or performance of any contract with, or order from, Thierica.

**NONDISCLOSURE OF CONFIDENTIAL MATTER.** Materials purchased hereunder with specifications, drawings, samples, or other data furnished by Thierica, shall not be quoted for sales to others by Seller without Thierica's written authorization. Such specifications, drawing, samples, or other data furnished by Thierica or any other information gained by Seller in connection with this Purchase Order shall be treated as confidential information by Seller, shall remain Thierica's property, and shall be returned to Thierica on request.

**TOOLING.** Invoices for tools, if tooling is expressly covered by this Purchase Order, will not be paid until production pieces are approved by Thierica's inspection department. Tooling is defined as all materials, drawings, tools, dies, fixtures, patterns, molds, testing apparatus, machinery and equipment, together with all other manufacturing aids used in the manufacture by Seller. In the event any tooling purchased hereunder is furnished by Thierica at its expense or is furnished by Seller and the cost thereof paid by Thierica, such tooling shall be Thierica's sole property and shall be subject to removal at any time at the option of Thierica. Seller agrees, at its expense, to maintain in commercially usable condition and in good order and repair, appropriately identify, inventory, preserve and store

all Thierica-owned items of tooling referred to in this paragraph for such reasonable period of time as specified by Thierica. Any and all items of tooling which are Thierica's sole property shall at any reasonable time be subject to inspection and examination by Thierica. Such property, while in Seller's custody and control, shall be held at Seller's risk and shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Thierica.

**INDEMNITY AND HOLD HARMLESS.** Seller shall indemnify and hold harmless Thierica from any and all liability, losses, claims, damages, suits, and demands, including attorney fees and costs, that may arise as a result of injuries or alleged injuries suffered by any person as a result of use of goods manufactured and/or assembled by Seller and sold to Thierica pursuant to this Purchase Order.

**NOTICE OF LABOR DISPUTES.** Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this order, Seller will immediately notify Thierica of such dispute.

**APPLICABLE LAW.** This transaction shall be governed by and interpreted in accordance with the laws of the state of Michigan.