

TERMS AND CONDITIONS OF PURCHASE
Engineering Technology Services, LLC

1. Time is of the essence of this Order. Buyer reserves the right to cancel this Order, any release, or any unfilled portion of either if deliveries are not made as specified, if Seller fails to comply with the other terms and conditions of this Order, or if there is an assignment for the benefit of Seller's creditors or if a petition in bankruptcy is filed by or against Seller.
2. Seller's performance shall be monitored annually based on Engineering Technology Services "Terms and Condition of Purchase.
3. Upon receipt of this Order by Seller, immediate notice must be given to Buyer of any changes which Seller desires to make in regard to delivery schedule, price and quantity of goods to be supplied.
4. Upon receipt of this Order by Seller, immediate notice must be given to Buyer of any changes which Seller desires to make in regard to delivery schedule, price and quantity of goods to be supplied. It is understood that this Purchase Order will not be filled at higher prices than last quoted or changed, **without Buyer's prior written consent**.
5. Seller warrants that the goods sold and furnished under the Purchase Order shall conform to specifications, are free from defect in material and workmanship, and are safe, merchantable and fit for the intended use. Buyer may refuse and return , any product delivered to his facility with inadequate or non-compliant packaging at seller's expense, Acceptance of this Order shall constitute an agreement upon Seller's part to indemnify and hold harmless Buyer, its successors, assigns, and customers from all liability, loss, damage and expense, including without limitation reasonable attorneys' fees incurred or sustained by Buyer or its successors, assigns, or customers by reason of failure of the goods to conform to these warranties or other warranties provided by law. Seller and Buyer agree that this Purchase Order does not in any way limit other warranties that may be provided by law.
6. All goods purchased hereby are subject to approval by Buyer. Buyer may return rejected goods or hold same at Seller's risk and expense and may, in either event, charge Seller the cost of transportation, shipping, unpacking, examining, storage, repacking, reshipping, or other like expense. Buyer reserves the right to refuse merchandise shipped contrary to instructions or not in recognized standard containers or not on specified shipping dates.
7. Seller warrants that the articles ordered hereby, or the use thereof, do not infringe on any U.S. patents, copyrights, or trademarks; and Seller will defend any suit that may arise in respect thereto, and Seller will, at its sole expense, indemnify, defend, and hold harmless Buyer from any loss or expense, including reasonable attorneys' fees, which may be incurred by the assertion of any patent rights therein.
8. Seller cannot under any circumstances cancel any of the buyer's purchase orders without express written consent of the buyer.
9. Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any person, or use such information itself for any purpose other than performing this Order, unless Seller obtains written permission from Buyer to do so. In addition to any drawings, blueprints, samples, pricing or other information furnished by Buyer, this provision shall also apply to drawings, samples, specifications, or the documents prepared by Seller for Buyer in connection with this Order. Seller shall not advertise or publish the fact that Buyer has contracted to purchase goods or services from Seller, nor shall any information relating to this Order be disclosed without Buyer's written consent.
10. Seller warrants that the prices for the goods and services sold to Buyer hereunder are not less favorable than those currently extended to any other customer of Seller for the same or similar goods and services in similar quantities. In the event Seller reduces its price for such goods and services during the term of this Order, Seller agrees to reduce the prices hereunder correspondingly.
11. All Sellers representing 10% or more of ETS's annual purchases are subject to "Defective Material Reporting" (DMR) annually. As well, where analysis indicates a trending for product defects, mislabeling, poor packaging, quantity discrepancies or any like product deficiencies a Corrective Action will be raised to identify and remediate the problem.

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12. In no event shall Buyer be liable for any lost profits, incidental, consequential or punitive damages under this Order. Buyer's liability on claim of any kind for any loss or damages arising out of this Order shall in no event exceed the price allocable to the goods or services which give rise to the claim.
13. This Order and any documents referred to on the face hereon constitute the entire agreement between the parties. This document may not be modified except in writing and signed by Buyer and Seller, and shall be interpreted and construed in accordance with the laws of the State of Tennessee. In the event of a dispute, the non-prevailing party shall pay the attorneys' fees of the prevailing party, and jurisdiction and venue for any such dispute shall be in the courts of Shelby County, Tennessee.