

FABREEKA INTERNATIONAL, INC.

CONDITIONS AND RESTRICTIONS

1. **PRICES** This order must not be filed at prices higher than those last quoted or charged to Buyer or as specified herein, unless otherwise agreed in writing.
2. **QUANTITIES** Shipment must equal exact amounts ordered, unless otherwise agreed in writing. Materials shipped in excess of quantities ordered may be returned at Seller's expense.
3. **DELIVERY** If delivery dates cannot be met, inform Buyer in writing by return mail of Seller's best possible delivery for Buyer's approval. The dates of delivery and quantities herein specified are of the essence of this order, and delivery must be effected within the time specified. If deliveries are not made on time and in the quantities, specified, Buyer reserves the right to cancel and to purchase elsewhere and hold Seller accountable therefor.
4. **ASSIGNMENT** Neither this order nor any part thereof, nor the account receivable, in whole or in part, represented by this order shall be assigned by the Seller without the written consent of the Buyer. All claims for monies due, or to become due, from Buyer shall be subject to deduction by Buyer for any set off or counterclaim arising out of this or any other Buyer's orders or transactions with Seller, whether such set off or counterclaim arose before or after any such assignment by Seller.
5. **CHANGES** Buyer shall have the right, by written order, to make from time to time and without notice to any sureties or assignees, changes as to packing, testing, destination, specifications, designs and delivery schedule (postponements only). If such changes cause an increase or decrease in the amount due under the order, or in the time required for delivery, an equitable adjustment shall be made, and the order shall be modified in writing.
6. **WARRANTY** Seller expressly warrants all material and work covered by this order to be free from defects in material and workmanship and to be of quality, size, description and dimensions required, and this express warranty shall not be deemed waived by reason of either or both the receipt of said articles and payment therefor by Buyer.
7. **INSPECTION AND REJECTION** All material furnished will be subject to inspection and approval before acceptance by Buyer after delivery. Buyer reserves the right to reject any material which does not fulfill the specifications of this order or time of delivery and (1) to return rejected material to Seller at Seller's risk and expense for full credit at the order price, without prejudice to any right to damages, for such breach, or (2) to require Seller at Seller's expense to replace rejected material at the unit price of this order, or (3) to consider this order breached as to the rejected quantity and cancelled as to any unfilled portion of this order, and to hold Seller fully liable for such breach and cancellation, or (4) Buyer may rework as provided in Paragraph 8.

In cases where rejection of articles and materials exceeds a normal percentage of the total inspected, Buyer shall have the right to conduct in Buyer's inspection department, 100% or such other inspection as Buyer deems necessary, and Seller agrees to reimburse Buyer for the entire cost of such inspection.
8. **REWORK ON DEFECTIVE PARTS** When Buyer's production schedule, in Buyer's judgment, requires Buyer to perform additional work or rework on defective or incorrect parts to make them usable to Buyer, Seller agrees that Buyer may perform such work at the expense of Seller, and that the performance of work on such parts by Buyer shall in no way invalidate any warranty of quality on the material.
9. **DRAWINGS** The Seller agrees that it will, at the Buyer's request, promptly return to the Buyer all drawings, specifications and other data or papers furnished by the Buyer to the Seller in connection with this order, together with all copies of reprints in its possession or control, and the Seller shall not thereafter make any further use, either directly or indirectly, of any such drawings, specifications, data or papers, or of any information derived therefrom without the Buyer's prior written consent. When Buyer has supplied blueprints or specifications, receipt by Seller of written approval of sample(s) which may not conform in all respects to Buyer's blueprints or specifications shall not be deemed a waiver by Buyer of any specification either by itself or included in Buyer's blueprint unless specifically waived by Buyer in writing.
10. **TOOLS** All tools, dies, patterns, molds, gauges, jibs, fixtures and the like, required to execute this order are to be supplied by Seller. All such material if furnished or specifically paid for by Buyer, shall be the property of Buyer, shall be subject to removal at any time without additional cost upon demand by Buyer, shall be used only in filling orders from Buyer, shall be kept separate from other materials or tools and shall be identified as the property of Buyer. Seller assumes all responsibility for loss or damage, with the exception of normal wear or tear, and agrees to maintain such equipment and keep it in satisfactory working condition at its sole cost and expense.
11. **MATERIAL** Any material supplied by Buyer for use on this order, on other than a charge basis, shall be deemed as held by Seller on consignment; and Seller agrees to pay for all such materials spoiled, or not otherwise satisfactorily accounted for, and to keep such material (a) fully insured at Seller's cost for benefit of Buyer and (b) separate from other materials and identified as the property of Buyer.
12. **PATENTS** Seller guarantees that the articles furnished against this purchase order, and the sale or use of them, will not infringe any United States or foreign Letters Patent, and in the event of any claim of patent infringement against Buyer or Buyer's customers based on articles furnished by Seller or using any item of Seller's design furnished hereunder, Seller agrees to repurchase such articles from Buyer at the order price, and to indemnify and save harmless Buyer and all said customers, from all expenditures of any nature whatsoever incurred by Buyer and/or them in investigation of such claims, in preparation for, and in defense against the same, and/or in settlement thereof, whether or not civil actions or other legal proceedings to enforce such claims have begun. Seller agrees to furnish to Buyer in writing the number of all patents pertaining to the articles furnished hereunder.
13. **BANKRUPTCY** In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Seller, or in the event of the appointment with or without the Seller's consent, of any assignee for the benefit of creditors or of a receiver, Buyer may cancel any unfilled part of this order without any liability whatsoever on Buyer's part and hold Seller responsible therefor.
14. **MODIFICATIONS** This contract contains the entire agreement between Buyer and Seller. No agreement or other understanding in any way modifying the conditions of this contract shall be binding upon Buyer unless made in writing and signed by an authorized representative of Buyer. Buyer shall not be bound by any terms or conditions on Seller's acknowledgment forms, invoices, or other communications of Seller, unless acceptance of such terms or conditions is expressly made by Buyer in writing in an instrument pertaining to such acceptance only. In no event shall an acknowledgement or receipt of any materials by Buyer be deemed to be an acceptance of any such terms or conditions. The foregoing provisions cannot be waived except by express written terms. No waiver by either party of any default on the part of the other party shall be deemed a waiver of any subsequent default.
15. **RIGHT OF ENTRY:** Buyer and regulatory authorities have the right to access Seller's facilities and that of the Seller's sub tier suppliers to review parts, materials, processes, tooling, equipment and any other items involved in this order and all applicable records.
16. **DOCUMENT RETENTION:** Suppliers will maintain all records generated as a result of this purchase order for a minimum of (2) years. Examples of records: First article inspection report, final inspection & test reports and manufacturing inspection reports.
17. **AGE SENSITIVE MATERIAL:** Certificate of conformance for age sensitive material shall contain the following as a minimum. Date of manufacturing, shelf life expiration date and storage conditions to achieve shelf life, if not stated on normal package. Shipments with less than 75% remaining shelf life are not acceptable.
18. **INTERPRETATION OF CONTRACT** Buyer and Seller agree that this order and the acceptance thereof shall be a contract made in the state shown in the Buyer's address on the face of this order, and governed by the laws thereof.