

- 1. Formation of Contract.** The terms set forth in this Purchase Order are the sole terms for the purchase of seller goods and services by AB-LP, and shall apply to the exclusion of any inconsistent or additional terms contained in seller's quotation, proposal or acknowledgment, or otherwise proposed by seller. Seller's acceptance of these terms shall be conclusively presumed by seller's shipment of the goods or performance of the services requested under this Purchase Order, or by seller's return to AB-LP of an acknowledgment of this Purchase Order. Any contract made for the purchase of goods or services by AB-LP is expressly conditional on seller's assent to the terms stated in this Purchase Order. Notification of objection to any additional or inconsistent terms is hereby given to seller.
- 2. Price.** The price to be paid by AB-LP and stated on the attached shall not be increased unless specifically authorized in writing by issuance of a revised Purchase Order signed by AB-LP. In the absence of specific terms agreed upon among the parties, payment terms shall provide for a 3% discount if paid within 10 days or net 30 days.
- 3. Packing and Cartage.** No charge for packing or cartage will be allowed except as stated on this Purchase Order. If AB-LP agrees to pay charges for cartage, as indicated on this Purchase Order, and, if seller's acts or omissions result in seller's failure to meet AB-LP's delivery requirements and AB-LP requires a more expeditious method of transportation for the goods than the transportation method originally specified by AB-LP, seller shall ship the goods as expeditiously as possible at seller's sole expense.
- 4. Taxes.** No sales, use, excise or other taxes, whether federal, state or local, shall be added to the purchase price unless otherwise stated on the attached.
- 5. Delivery.** Delivery shall be made in the quantities and at the times specified by AB-LP to seller. AB-LP may from time to time change delivery schedules. AB-LP shall not be liable for payment for goods delivered in excess of the quantities or after the times specified in AB-LP's delivery instructions to seller. Unless otherwise stated on this Purchase Order, all shipments shall be F.O.B. AB-LP's plant. Each delivery shall be accompanied by a packing slip with AB-LP's contract number marked thereon.
- 6. Inspection.** All goods and services described in this Purchase Order shall be subject to AB-LP's inspection and approval. AB-LP reserves the right to reject any items not conforming to the terms of this Purchase Order. Any goods rejected shall be held for seller's instruction at seller's risk and if seller so directs, will be returned. All costs of returning nonconforming goods shall be at seller's expense. Payment for goods shall not constitute acceptance. Acceptance of any goods shall not relieve seller from any of its obligations and warranties under this Purchase Order.
- 7. Changes.** AB-LP reserves the right at any time to direct changes, or cause seller to make changes, to drawings and specifications of the goods or to otherwise change the scope of the work covered by this Purchase Order including work with respect to such matters as inspection, testing, or quality control, and seller agrees to promptly make such changes.
- 8. Warranty.** Seller expressly warrants to AB-LP, its customers and assigns, that all the goods and services provided under this Purchase Order will conform to the specifications, drawings, samples, representations and other descriptions of the goods and services furnished or specified by AB-LP, or made by seller, will be of good material and workmanship, free from defects in material, design and workmanship, and that they will be merchantable and fit for the particular purposes of AB-LP. This warranty shall be in addition to any other warranty stated in this Purchase Order or available to AB-LP under applicable law.
- 9. Indemnification.** SELLER AGREES TO INDEMNIFY AND HOLD AB-LP, ITS AGENTS AND EMPLOYEES, HARMLESS from and against any and all claims and causes of action brought against AB-LP and from any and all damages, losses, expenses, attorneys fees, costs and liabilities sustained by AB-LP arising out of any claimed defect in the goods and services supplied by seller and any claimed improper manufacture, design, design drawings, specifications, materials or repairs provided by seller pursuant to this Purchase Order.
- 10. Confidentiality of Furnished Information.** Any technical information disclosed by AB-LP to seller is confidential and seller agrees not to use or disclose any such information without prior written consent of AB-LP.
- 11. Insurance.** Seller shall maintain insurance coverage with carriers acceptable to AB-LP and in the amounts sufficient to reimburse AB-LP for all casualty losses relating to the goods.
- 12. Defective Goods/Services.** If any of the goods and services fail to satisfy any warranty given by seller under this Purchase Order or otherwise imposed on seller by law, seller shall, upon notice from AB-LP, promptly correct or replace the goods and services at seller's expense. If seller fails to promptly correct or replace the goods, or if seller breaches any other duty under this Purchase Order or applicable law, AB-LP may cancel the order for those goods and services and may cancel all or any part of the balance of the contract evidenced by this Purchase Order and seller shall promptly refund any payments made for the nonconforming goods.
- 13. Special Warnings and Instructions.** Prior to and with the shipment of the goods, seller agrees to furnish to AB-LP sufficient warnings and notice in writing (including appropriate labels on the goods, containers and packaging) of any hazardous material that is an ingredient or a part of any of the goods, together with such special handling instructions as may be necessary to advise carriers, AB-LP, and their respective employees of how to exercise that measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the goods, containers and packing shipped to AB-LP. Product must meet any governmental constraints with regard to restricted, toxic, and hazardous materials. Consideration also to be given to the applicable origin of manufacture and sale.
- 14. Termination.** AB-LP may terminate the contract evidenced by this Purchase Order at any time as to all or any part of the undelivered goods, for any reason. If seller is not at fault, AB-LP agrees to pay termination charges limited, however, to the cost of labor and materials for producing goods under this Purchase Order incurred by seller prior to the time AB-LP notifies seller of termination, less any net recovery to seller on disposition or other use of the goods. Seller shall use its best efforts to mitigate its damages under this paragraph. AB-LP shall not be liable in any event for any incidental, consequential, indirect or any other special damages of seller, including lost profits.
- 15. Remedies.** If seller breaches any provision in the contract evidenced by this Purchase Order, seller agrees to reimburse AB-LP for all damages suffered, including but not limited to incidental, consequential and other damages, attorney fees and expenses as well as lost profits. The remedies in this Purchase Order shall be cumulative and in addition to any other remedies allowed to AB-LP under applicable law. No waiver by AB-LP of any breach or remedy shall be a waiver of any other breach or remedy.
- 16. Compliance with Laws.** Seller warrants that it is in compliance and will remain in compliance with all federal, state and local laws, regulations and ordinances relating to the manufacture, sale and delivery of the goods and services sold to AB-LP under this Purchase Order.
- 17. Setoff.** AB-LP has the right to setoff any sums due to seller under this Purchase Order against any sums due from seller to AB-LP for damages, refunds or otherwise.
- 18. Assignment.** Seller shall not assign its rights or delegate its duties under this Purchase Order without AB-LP's prior written consent.
- 19. Amendment.** The contract evidenced by this Purchase Order may be amended only by a writing signed by seller and AB-LP.
- 20. Risk of Loss.** Risk of loss or damage to the goods shall remain on seller until those goods have been delivered to and accepted by AB-LP.
- 21. Severability.** If any provision of this Purchase Order is invalid or unenforceable, all other provisions of this Purchase Order shall remain in full force and effect.
- 22. State Law.** The sale of goods and services in accordance with this Purchase Order shall be governed in all respects by the laws of the State of Michigan.
- 23. Jurisdiction.** Seller and AB-LP agree that any action arising out of the sale of goods or services in accordance with this Purchase Order will be brought, heard and decided in the State of Michigan.
- 24. Successors.** The terms of the contract evidenced by this Purchase Order shall inure to the benefit of and be binding on the successors and assigns of the parties.
- 25. Entire Agreement.** There are no other agreements, warranties, terms or conditions relating to the goods or services to be provided under this Purchase Order.