

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE: This Order constitutes the Purchaser's offer and shall become a binding contract upon the terms and conditions set forth herein when accepted by Supplier. Supplier's acceptance shall be upon the earlier of any acknowledgment or its commencement of any performance. This offer is conditioned by, and may be accepted only upon, its terms and conditions. These General Terms and Conditions shall apply to any provision of products or services by Supplier. Additional, different or modified terms and conditions contained in any offer or acceptance by supplier, verbal or written, shall not be binding upon Purchaser unless expressly agreed to in writing by Purchaser.

2. TERMS: Unless otherwise specified herein, payment is due only upon conforming delivery and final completion. Invoices shall be payable thirty (30) days after receipt unless otherwise agreed to by Purchaser in writing, in which case special terms must be shown on all invoices. Discounts shall be calculated not earlier than the date each correct invoice reaches Purchaser. Purchaser shall pay only for quantities ordered.

3. PRICES AND TAXES: Except as may be otherwise provided in this Order, all prices listed include all applicable federal, state and local taxes, freight charges and insurance. No change in the prices listed in this Order may be made by Supplier without the express written consent of Purchaser. Invoices must be rendered for each shipment under this Order on date of shipment.

4. CHANGES: Purchaser may at any time make changes to this Order. If any such change causes an increase or decrease in the cost of, or the time required for Supplier's performance or any part of the work under this contract, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by Supplier for such equitable adjustment under this clause must be asserted in writing within twenty (20) days from the issuance of Purchaser's change notification. Purchaser may cancel all or any portion of this Order not yet shipped or delivered (except non-resalable, custom products made specifically to Purchaser's specifications for which manufacture has already commenced) for any reason.

5. ASSIGNMENT AND SET-OFF: Assignment of this Order or any interest therein or any payment obligation thereunder, without the written consent of Purchaser, shall be void. Purchaser shall have the right to reduce and set-off against any amount payable hereunder any indebtedness or other claim which Purchaser may have against Supplier, however and whenever arising.

6. SPECIFICATIONS AND PROPRIETARY INFORMATION: Supplier shall comply with any specifications stated on the face of this Order, or submitted herewith, including sample items. Any and all tooling, molds, dies, specifications, blueprints and other data or property submitted by Purchaser or paid for by Purchaser shall be and remain Purchaser's property and shall be returned to Purchaser or destroyed upon Purchaser's written request. Such information shall not be disclosed or utilized in any way except in performance of this Order or subsequent Orders of Purchaser. Supplier shall maintain the strict confidentiality of all materials and information of Purchaser.

7. DELIVERY: (a) Delivery shall be made F.O.B. Purchaser's place of business at the address shown on the face of this Order unless otherwise specified thereon. (b) Deliveries are to be made both in the quantities and at the times specified in this Order, or in schedules provided by Purchaser. Time of delivery shall be of the essence. From time to time, Purchaser may change delivery schedules or require temporary suspension of scheduled shipments. Purchaser, at its option, reserves the right to either approve a revised delivery schedule or to terminate the Order without liability to Supplier in the event of default by Supplier, or if shipments are not made within the specified time. Purchaser's acceptance of any part of the Order shall not bind Purchaser to accept future shipments, and not deprive it of the right to return goods already accepted in the event of default by Supplier or if shipments are not made within the specified time. (c) All items delivered shall be suitably packed and packaged as to protect against hazards of shipment, storage and exposure. Different types of items shall be packed separately, and packages shall be marked to show this Order number, the quantity shipped, date and description of each item. Itemized packing slips showing this Order number must accompany each delivery. (d) Shipments made without proper release and documentation, and any over-shipments, will be at Supplier's risk and expense, and if received may be held at Supplier's risk and expense including all demurrage and storage charges until the proper documents are received.

8. INSPECTION/REJECTION: While Purchaser is not obligated to inspect or test any products or services, all material and workmanship shall be subject to inspection and testing by Purchaser upon its request at all times and places including the period and place of manufacture and in any event prior to acceptance. Purchaser's authorization to ship after inspection or Purchaser's failure to inspect, or on inspection failure to reject, shall not relieve Supplier from the warranties and other responsibilities set forth in this Order.

Notwithstanding prior inspection, payment for, or use of materials, Purchaser shall have the right to reject any article which is defective in material or workmanship, or otherwise not in conformity with the specifications, warranties or other requirements of this Order, within the reasonable time after delivery or actual discovery of a defect or non-conformity, whichever occurs later. Rejected goods or work in whole or in part shall remain at Supplier's risk, including costs of return or disposal.

9. WARRANTIES AND INDEMNITY: Supplier warrants that all items and parts thereof delivered under this Order will be free from defects in materials, workmanship and design; will conform to applicable specifications, drawings and/or samples; will be merchantable and fit for ordinary commercial purposes; will be suitable for Purchaser's and its customers' intended purposes; will not violate or infringe upon any patent, trademark, copyright or other intellectual property, proprietary or personal right; and will be in accordance with all applicable federal, state and local laws, codes, regulations and all industry standards. Purchaser's approval of Supplier's designs or materials shall not relieve Supplier of the warranties and requirements set forth herein. Supplier further warrants that in the event its performance shall involve entry upon any premises of Purchaser, its customers, suppliers or others, Supplier shall take all precautions necessary to prevent the occurrence of any injury to any person (including death) or damage to any property arising out of any acts or omissions of Supplier or its agents, employees or subcontractors, except to the extent that such injury or damage is due solely to Purchaser's negligence, and Supplier shall have in effect such insurance as will protect Purchaser from any such risks and from any claims under any applicable workman's compensation or occupational, health or safety laws. Supplier shall maintain such insurance with carriers and in such amounts acceptable to Purchaser, and shall provide Purchaser with sufficient evidence of such coverage upon request. Supplier shall indemnify, defend and hold harmless Purchaser from and against all loss, damage, costs and expenses arising from or relating to any breach or alleged breach of any of the foregoing warranties, including attorneys' fees.

10. COMPLIANCE WITH LAWS: Supplier, and any supplier of products or services to Supplier, shall comply with all applicable laws, regulations, rules and orders, federal, state and local, including without limitation those relating to wages, hours and conditions of employment, subcontractor selection and discrimination, including without limitation: Section 202 of Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, Section 402 of the Vietnam Era Veterans Readjustment Act of 1974 (38 U.S.C. Section 4212), Title VII of the Civil Rights Act of 1964, and any amendments thereto, and with the provisions of 41 C.F.R. 60-2, 60-260, and 60-741, affirmative actions program.

11. CUMULATIVE REMEDIES: The rights and remedies herein reserved to Purchaser shall be cumulative and additional to any other or further rights and remedies provided in law and equity. Purchaser shall be entitled to recover from Supplier all attorneys' fees and litigation expenses incurred by Purchaser in enforcing its rights in connection with this Order.

12. PURCHASER'S LIABILITY: IN NO EVENT SHALL PURCHASER BE LIABLE TO SUPPLIER (OR TO ANYONE ASSERTING A CLAIM ON ITS BEHALF) FOR INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES OF ANY NATURE, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, REVENUES, AND/OR TERMINATION CHARGES PAID BY SUPPLIER.

13. MECHANIC LIENS: As a prerequisite to payment for any Order of materials or work in excess of \$500.00, Purchaser may require from Supplier a properly executed waiver of mechanic's or other lien(s) in a form acceptable to Purchaser.

14. APPLICABLE LAW AND DISPUTES: This Order shall be deemed a contract made in, and the performance of the parties hereto shall be governed by the internal laws of, the State of Illinois, without regard to conflict of laws principles. The parties further agree that any claim by Supplier regarding this Order or relating to any products or services under this Order shall be brought and pursued only in the state or federal courts for Cook County, Illinois. Supplier hereby consents to the personal jurisdiction of such courts, and waives any objection to venue and jurisdiction. If any provision of this Order is determined to be unenforceable, the other provisions of the Order shall remain in full force and effect.

15. NON-WAIVER OF RIGHTS: The failure of Purchaser to insist upon strict performance of any of the terms and conditions of this Order or to exercise any rights or remedies shall not be construed as a nullification or waiver of any such terms or conditions. No waiver shall be effective unless stated in writing signed by Purchaser.