

## Additional Terms and Conditions

1. All Purchase Orders issued by S&N Manufacturing, Inc. ("Buyer") are expressly subject to the terms and conditions set forth on the face of the Purchase Order as well as the additional terms and conditions set forth below.
2. **Acceptance** The Purchase Order constitutes an offer which can be accepted by Seller only under its exact Terms and Conditions by i) signing and returning the acknowledgment copy, or ii) commencing work on any Products or services ordered, or iii) shipping any of the Products or providing any of the services ordered, iv) Seller's acceptance of any monies due under this Purchase Order, or v) by Seller's acknowledgment to Buyer. No provisions of Seller's acknowledgment which conflict with or are additional to the Terms and Conditions of Buyer's Purchase Order shall apply. When accepted, the Purchase Order shall be the sole and entire contract.
3. **Specifications** Specifications describe the Products and services to be furnished by Seller, including, but not limited to descriptions of the dimensions, finish, functional characteristics, general quality, material, manufacturing methods, quality control procedures and tolerances for the Products and services. Specifications are furnished in various forms, including, but not limited to, blueprints, catalogs, designs, drawings, CAD files, engineering instructions, procedures and written specifications. If any specification or instruction, in whatever form, supplied by Buyer appears to be in conflict with another specification or instruction or is insufficient or unclear, it shall be Seller's duty to request clarification from Buyer. Buyer shall be the sole and final judge of whether the Products are conforming to the specifications of this Purchase Order.
4. **Risk of Loss** The risk of loss for conforming goods shall be on Seller until the Products are delivered to Buyer regardless of whether Buyer or Seller is paying for the freight, provided, however, that Buyer shall assume the risk of loss for Products while being transported on Buyer's vehicles. The risk of loss for nonconforming Products shall be on Seller at all times.
5. **Ownership and Confidentiality** Data, drawings, specifications or other technical information furnished directly or indirectly, in writing or otherwise, to Seller by Buyer is proprietary and confidential and shall in no event become the property of Seller and shall be used only in fulfilling the obligations imposed by this Purchase Order and for no other purpose. Such information shall not be duplicated or disclosed to others. Such furnishing of data, drawings, specifications or technical information shall not be construed as granting to Seller any rights whatsoever, express or implied, under any patents or otherwise. All material, including tools, dies, CAD files and equipment furnished or specifically paid for by Buyer, or any materials affixed or attached thereto, shall be and remain the property of Buyer and shall be subject to removal from Seller's premises at any time, without additional cost, upon demand by Buyer. At all times such items shall be clearly marked and identified as the property of Buyer. Seller shall be responsible for tool maintenance and shall not use Buyer's tooling, material or documents to make products for anyone else. Risk of loss shall be Seller's. To protect Buyer's interest, Seller authorizes Buyer to sign and file a UCC1 Financing Statement covering the foregoing described property of Buyer.
6. **Inspection** Seller shall employ adequate quality control procedures and comply with the quality control procedures provided by Buyer. Buyer shall have the right to inspect and test all Products and services and reject or revoke acceptance of nonconforming Products and services either before shipment, upon delivery, or after delivery. Buyer's right of inspection and revocation of acceptance shall survive the acceptance of and the payment for the Products or services and shall survive any resale by Buyer. Seller shall be responsible for all rework charges relating to defective material relating to the Products. Upon demand, Buyer shall have the right and shall be afforded visitation by Seller during normal business hours to inspect the Products on Seller's premises at any time prior to delivery.
7. **Trade Secrets** Seller shall not disclose or use except to the extent required to fulfill this Purchase Order any confidential matters or trade secrets of Buyer.
8. **Records** Seller shall grant access to Buyer for the purposes of copying during business hours all records of Seller relating to the Products to be provided under this Purchase Order.
9. **Delivery** **Time is of the essence of this Purchase Order.** Products shall be delivered and services provided in accordance with the timetable, shipping and delivery instructions set forth in this Purchase Order. Unless otherwise specified, all Products shall be tendered in a single delivery.
10. **Warranties** Seller represents and warrants that Seller has special skills and that Buyer is relying on the skill and judgment of Seller to select and furnish suitable Products or services. All written or oral statements of Seller as to functions, quality, suitability and use of the Products or services are warranties of Seller. Seller represents and warrants that all Products and services provided under this Purchase Order shall 1) fully and strictly conform to the specifications, ii) be free of defects, iii) be of good material and workmanship, iv) and are merchantable and fit for the general and particular purposes for which they are required. Seller shall be liable for all direct, incidental and consequential damages resulting from nonconforming Products or services or breach of any other warranties or provisions of this Purchase Order. In addition to any and all other warranties, express, implied or statutory, SELLER WARRANTS THAT ALL GOODS SOLD HEREUNDER SHALL BE FREE FROM DEFECTS IN DESIGN, WORKMANSHIP AND MATERIALS AND SHALL CONFORM STRICTLY TO APPLICABLE SPECIFICATIONS, DRAWINGS AND APPROVED SAMPLES, if any, AND SHALL BE MERCHANTABLE. SELLER ACKNOWLEDGES THAT IT KNOWS THE PARTICULAR PURPOSES FOR WHICH THE PRODUCTS ARE REQUIRED AND THAT BUYER IS RELYING ON SELLER'S SKILL AND JUDGMENT THEREFOR. All warranties shall extend to Buyer, its successors, assigns and customers. In no event shall Buyer's inspection, acceptance or payment by Buyer for the Products be deemed to modify any warranty.
11. **Governing Law** This Agreement shall be construed in accordance with the laws of the State of Illinois without regard to the conflicts provisions thereof. Venue shall be proper in the state courts of Kane County or Cook County, Illinois and/or the federal district court for the Northern District of Illinois.
12. **Attorneys' Fees** If Buyer prevails in any litigation involving this Purchase Order or the Products, then Seller shall pay to Buyer all costs incurred by Buyer in connection with said litigation, including, but not limited to, reasonable attorneys' fees and costs, plus interest at the rate of 1 ½ % per month on all amounts due or payable by Seller to Buyer from the date Buyer notifies Seller that Seller has breached this Purchase Order or the date that such amounts become due or payable to Buyer, whichever is first.
13. **Rights and Remedies** All rights and remedies of Buyer set forth in his Purchase Order shall be in addition to and not in lieu of any rights or remedies provided by law and all rights and remedies of whatever nature shall be cumulative and the past waiver of or failure to enforce any right or remedy shall not constitute the waiver of that or any other right or remedy.
14. **Waiver and Indemnity** Seller, its agents, representatives, contractors and employees waive any and all claims against Buyer for injuries, death or property damage arising out of or related to providing the Products or services under this Purchase Order. Seller shall indemnify, defend, protect and hold harmless Buyer from any and all actions, claims, cost, expenses, fees (including reasonable attorney fees), liabilities, losses or suits arising out of or related to the Products or services provided under this Purchase Order including, but not limited to, those which 1) involve any actual or alleged injuries, death or property damage resulting in whole or in part from defective or allegedly defective Products or services provided hereunder, ii) involve any actual or alleged infringement of any patent, trademarks copyrights or other intangible rights, iii) involve actual or alleged violation of any law, regulation, rule or ordinance relating to the use or sale of any Products or services provided hereunder, iv) involve any claims of Seller, its agents, representatives, contractors and employees relating to any actual or alleged injuries.
15. **Quantities** Unless otherwise agreed to in writing, the obligation of Buyer is limited to the specific quantities set forth in the Purchase Order. Seller warrants that all markings of weight or measurement shall be true and correct.
16. **Set Off** Buyer shall have the right to set-off any amounts owed to Buyer by Seller against any amount owed to Seller by Buyer.
17. **Errors and Omissions** Errors and omissions, including but not limited to stenographic and clerical errors, are subject to correction at any time.
18. **Assignment** This Purchase Order may not be assigned in whole or in part by Seller without the express written consent of Buyer.
19. **Compliance with Laws** In connection with the performance of work under this Purchase Order, the Equal Opportunity clause as set forth in Section 202 of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, are incorporated by reference. Seller represents and warrants that all Products and services to be provided under this Purchase Order shall strictly comply with all federal, state, local, and where applicable, foreign laws including, but not limited to the Fair Labor Standards Act of 1938, the Federal Hazardous Substances Act, the Consumer Products Safety Act, the Occupational Safety and Health Act of 1970, the Civil Rights Acts, Executive Orders 11246 and 11375, all environmental protection laws, the Motor Vehicle Safety Act, the Toxic Substances Control Act and the Americans with Disabilities Act of 1990 (all of the foregoing including the amendments hereto are the "laws") and all rules, regulations and ordinances issued pursuant to the laws.
20. **Relationship of Parties** Seller and Buyer are independent contracting parties and nothing in this Purchase Order shall make either party the agent or legal representative of the other for any purposes whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.
21. **Subcontracting** Seller agrees to obtain Buyer's written consent before subcontracting all or a portion of a Purchase Order, provided, however, that his limitation shall not apply to the purchase of standard commercial supplies or raw materials.
22. **Execution** This document may be executed by a facsimile signature and in such event, the signature shall have the same force and effect as an original.