

ADDITIONAL TERMS AND CONDITIONS

1. Acknowledge receipt of this purchasing order promptly. Seller must accept this purchase order by either executing an acknowledgment and returning it to the Purchaser or shipping conforming goods in the quantities ordered, and at the required delivery time, or, if not required delivery time is specified, then by prompt shipment of such goods. All inquiries by Seller concerning this order shall be addressed to the Purchaser's purchasing department.

2. Unless otherwise set forth on the face hereof, all goods shall be shipped F.O.B. to the place of destination, which, is the address of Purchaser on the face hereof. In the event deliveries by seller are so far behind schedule that, in Purchaser's judgment, it is necessary to call upon Seller for expedited shipments, Seller will allow Purchaser the difference between the ordinary freight rate and the expedited freight rate as credit. Seller will arrange for and, except as otherwise indicated on the face thereof, bear the cost of packing, transportation, storage, drayage and insurance, and the risk of loss of goods during transit or storage. All goods will be suitably packed, marked and shipped in accordance with carrier requirements and so as to secure the lowest available transportation rate. Seller shall follow Purchaser's shipping instructions, but if Purchaser had issued no such instructions, Seller shall use the most expeditious but economical means of transportation available for shipment of the goods. Seller shall not charge for crating, boxing or packing the goods, unless otherwise specified on the face hereof.

3. The time for discounting invoices with respect to the goods (or any portion thereof covered by a separate invoice shall commence from the latter of (a) four days after the receipt of the goods or (b) four days after receipt of the invoice. Seller shall furnish information with regard to part number and order number on all invoices and packing slips covering the goods ordered hereunder.

4. Seller shall have no right to identify with the contract or ship any non-conforming goods, and the shipment thereof shall not constitute acceptance of this purchase order. If non-conforming goods are shipped to the Purchaser, such shipment shall constitute a counter offer, and shall be a firm offer for a period of ten days after Purchaser's receipt of non-conforming goods; Purchaser may accept or reject the whole or any commercial unit of non-conforming goods so delivered. In the event that the non-conformity results from materials processed in excess of that required under this purchase order, or over-shipment in excess of the quantities specified herein, purchaser shall not be liable for any such excess processing, the Purchaser may, in addition to all other remedies provided by law, return any such over-shipment at Seller's risk and expense (including all transportation costs). With respect to rejected goods or goods as to which Purchaser has justifiably revoked acceptance, Purchaser's only duties shall be those provided by law.

5. (a) All goods shall be received subject to Purchaser's right of inspection at the address shown on the front hereof for a reasonable time after receipt, and the payment of any invoice or the payment or acceptance of any draft shall not constitute an acceptance of goods. Seller expressly warrants that all goods shipped pursuant to this workmanship, and shall conform to any specifications, drawings, samples or other descriptions furnished, specified or covered by this purchase order. In all cases where Seller has reason to know of the particular purpose of which goods are required and that Purchaser is relying upon Seller's skill or judgment to select or furnish suitable goods, Purchaser will not, in the absence of an express contrary written agreement signed by its authorized representative, waive the implied warranty that the goods shall be fit for such purpose. Seller acknowledges that the goods are or may be purchased for future use; in all such cases, each of the warranties made by Seller herein shall explicitly extend to the time when the goods are actually used. Any notice of breach of warranty, non-conformity or other breach, shall be deemed reasonable and timely if given by Purchaser to Seller no later than 30 days after discovery of such breach by Purchaser.

(b) Any provisions of law to the contrary notwithstanding, Seller's liability for breach of warranty shall extend to all incidentals and consequential damages suffered by Purchaser as a result thereof. Seller agrees to indemnify and hold harmless Purchaser from and against any and all liability whatsoever for damages to and/or injuries and/or costs and expenses which may be incurred by Purchaser as result of defective materials or workmanship in the goods ordered hereunder.

(c) In the event any installation work is required to be done by Seller under this purchase order, all such installation work is subject to the inspection and approval of Purchaser within a reasonable time after the installation thereof.

6. By acceptance of this purchase order, Seller warrants that the goods sold and use of resale thereof by Purchaser will not infringe any United States or foreign patent trademark or the like right of any third person and Seller agrees to defend, protect and save Purchaser, its assigns, customers and users of its products, harmless from all costs, including attorney's fees, or any claim, suit or proceedings arising by reason of any such claim of infringement.

7. In all instances where this order specifies that Purchaser is to pay tooling charges for necessary tools, dies, jigs, gauges, fixtures and similar items of equipment or such items are to be furnished by Purchaser to Seller at no charge, such items shall be and remain property of the Purchaser, and Purchaser shall have a security interest therein. In the event of any default by Seller in the performance of the contract created by acceptance of this order, Purchaser shall have the right to enforce its security interest therein. In the event of any default by Seller in the performance of the contract created by acceptance of this order, Purchaser shall have the right to

enforce its security interest in such items of equipment in the manner provided by law. Seller shall maintain such items of equipment and keep them in satisfactory working condition, and fully secured (with Purchaser name as an insured (in any such policies) at all times, without expense to purchase; and Seller shall not sell or otherwise dispose of any such items of equipment; or use any such equipment for the production of any products or goods other than those of Purchaser, without prior written permission of the Purchaser.

8. (a) If no price is set forth in this order for the goods, the price for the goods, shall not exceed the last price previously quoted and/or charged by Seller to Purchase for similar goods. Seller warrants that the prices set forth in this order are as low as any net price now given by Seller to any other customer of the same class for like materials and like quantities, and Seller agrees that if at any time during the term of this order, lower net prices are quoted to third parties under similar conditions, such lower net prices shall be automatically substituted for the prices set forth herein.

(b) Purchaser reserves the right at any time to make changes in drawings and specifications as to any goods and/or work covered by this purchase order. Any difference in price or time for performance resulting from such changes shall be equitably adjusted, and the contract shall be modified in writing accordingly. Any price adjustment shall conform to the then current standard prices.

9. In the event that the face of this purchase order contains a notation to the effect that the goods covered hereunder are "on approval" Purchaser shall have the right to return the goods to Seller without liability for the price, even though they conform to the contract, and the contract shall be deemed a "sale on approval", with all of the incidents thereof provided by law.

10. By acceptance of this purchase order Seller: (a) certifies that he has complied with the terms and conditions required by the United States Government for eligibility to furnish articles, materials and supplies for use on public contracts; (b) agrees, in connection with the production of the goods and/or the performance of the services specified herein, to comply with the requirements of the Fair Labor Standards and the Walsh-Healey Acts, as amended; and (c) warrants that no price or other charge to Purchaser hereunder will be made in violation of any price control regulations of the United States Government.

11. This purchase order and the contract created by its acceptance shall be governed by the laws of the State of Tennessee.

12. (1) Purchaser shall have the right to cancel the contract as to all or any portion of the undelivered goods, if Seller; (i) fails to make deliveries at the time (s) specified herein (or in subsequent releases, if any); (ii) breaches any of the terms hereof, including all warranties made by Seller; (iii) files a voluntary petition under any state or federal bankruptcy or insolvency laws; (iv) has filed against it an involuntary petition under any state or federal bankruptcy or insolvency laws, and/or (v) makes an assignment for the benefit of creditor, in the event Purchaser cancels this order as provided above, it shall be entitled to all of the rights and remedies provided by law, all of which shall be deemed cumulative.

(b) Purchaser shall have the right to terminate the contract created by acceptance of this order, as to all or any portion of the undelivered goods, in the event fire, strike, Act of God, or any other casualty or occurrence beyond the control of Purchaser, shall substantially interfere with or stop the production of Purchaser in which the goods specified in this order are to be used, and Purchaser shall be relieved of any further liability other than to pay for the price of goods already accepted by it, and such reasonable costs (but not profits) as were incurred by Seller in the manufacture of goods already produced by seller under this order prior to termination.

13. In the event Purchaser supplies Seller with any blueprints, or other technical information, whether written or oral, Seller covenants and agrees that it shall treat all such information as confidential, and shall not disclose such information to any third parties, except to the extent necessary to accomplish the work or production of the goods covered by this order.

14. If Seller is required by the terms of this purchase order to perform, or does perform, any work on Purchaser's premises, Seller agrees that Seller shall be responsible for any damages or injuries to persons or property, including Purchaser's employees and property, that occur as a result of the fault or negligence of Seller, its agents, servants, or employees, in connection with the performance of such work, and that Seller shall save harmless and indemnify Purchaser from and against any liability and property damage insurance with insurers and in amounts acceptable to Purchaser and workmen's compensation insurance (or evidence of authority to self-insure). The failure of Seller to furnish to Purchaser, or the failure by Purchaser to obtain, such a Certificate of Insurance will not constitute a waiver of the requirement for such certificate or of any other provisions of this purchase order.

15. This purchase order supersedes any and all prior written or oral agreements or quotations with respect to the goods covered hereby, and upon acceptance hereof in the manner provided herein, creates the exclusive agreement between the parties, this purchase order and the contract created by acceptance hereof as provided herein, may not be modified or rescinded except by a written agreement executed by an authorized representative of purchaser, provided, however, that all stenographic and clerical errors or omissions are subject to correction by Purchaser.