

Purchasing Terms and Conditions

The RFQ and any resulting purchase order are conditional on the terms and conditions set forth below. Any additional or different terms or conditions submitted by Seller shall be deemed objected to by the Company and shall be of no effect nor in any circumstance binding upon the Company unless accepted by the Company in writing. If Seller objects to any of the terms and conditions, said objection must be specifically brought to the attention of the Company by Seller by a written instrument separate from any quote or other printed form of Seller. Said objections shall be deemed proposals for different terms and conditions and may be accepted only by a writing executed by an authorized representative of the Company at its office in San Marcos, Texas.

1. **PRICES:** Prices quoted on products manufactured or serviced to the Company are firm for 30 days from quotation date provided shipment can be made within one year from date of order.
2. **DELIVERY:** Delivery of products ordered hereunder shall be made FOB shipping point unless otherwise expressly indicated in a writing signed by the Company. Unless, at the time of Seller's acceptance of the Company's purchase order, Purchaser specifies in writing a desired method of transportation (air express, motor freight, etc.), Company will use its judgment in selecting the carrier and route. Purchaser may delay delivery of any items, however, if such delay is in excess of 60 days from the scheduled date of delivery then Company will inform Seller of excessive delays to discuss whether to terminate or change purchase order
3. **PAYMENTS:** Terms are net cash 30 days from date of delivery as determined by carrier tracking or signed packing slip in the case of seller delivery. Other terms must have written approval from executive representation of the Company. Pro-rata payments, if applicable, shall become due as shipments are made.
4. **SALES AND SIMILAR TAXES:** The prices provided for herein are exclusive of any present or future Federal, State, Municipal, or other sales or use tax with respect to the material or products covered hereby, or any other present or future excise tax upon, or measured by, the gross receipts from this transaction or any allocated portion thereof or by the gross value of the material or products covered hereby and of any present or future property tax or similar charge with respect to the material or products covered hereby. If the Company is required by applicable law or regulation to pay or collect any such tax or taxes on account of this transaction of the material or products or services covered hereby, then such amount of tax shall be paid by the Purchaser in addition to the prices herein provided for.
5. **WARRANTY:** The Seller warrants that the products manufactured by it shall be free from defects in material, workmanship, and title, and shall be made in accordance with the specifications, when approved in writing by the Company. If any item purchased by the Company shall not comply with the applicable specifications, or shall prove defective in material and/or workmanship, within one year from the date of shipment, Purchaser shall notify Seller, in writing, of such defect or non-compliance. Seller shall, at its option, modify, repair, replace, or refund the purchase price of said item. Seller shall have the option to have such item returned to it, FOB its factory, or to make such adjustment at the point of installation.
6. **OCCUPATIONAL SAFETY & HEALTH ACT:** Company makes every effort to design products in accordance with applicable national consensus standards and codes. Seller is expected to abide by current standards and codes pertaining to their industry.
7. **FLSA:** Company specifically represents that all products will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended. Seller is expected to comply in a similar manner.
8. **NON-DISCRIMINATION:** The non-discrimination provisions of Executive Order 11246 and all applicable Federal regulations issued thereunder are incorporated herein by reference. Seller is expected to comply in a similar manner.
9. **CONFLICT MINERALS DISCLOSURE:** Seller is expected to comply to Dodd-Frank Act and manage their suppliers in accordance to Dodd-Frank Act
10. **HUMAN TRAFFICKING:** Seller is expected to comply to End Modern Slavery Initiative Act and manage their suppliers in accordance to End Modern Slavery Initiative Act
11. **GOVERNMENT REGULATIONS:** In the event that Purchaser desires to incorporate any government regulations regarding the purchase of the products, it shall specify with particularity any such regulation on the face of its order. Such requests shall not become a part of this order unless specifically agreed to by Seller in writing.
12. **INSURANCE:** Seller shall maintain comprehensive general liability insurance policies to protect the Seller's liability and Workman's Compensation protection for the Seller's employees.
13. **CHANGES:** Purchaser may, prior to delivery, make changes in the specifications of the product or the quantity ordered, however, any such change shall be subject to written acceptance by the Seller. Purchaser agrees to pay any additional cost and/or escalation cost occasioned by such change order. Seller shall advise the Purchaser of new delivery date necessitated by any such change.
14. **TERMINATION:** Purchaser may at anytime prior to delivery terminate this order in whole, or in part, for Purchaser's convenience upon written notice to the Seller, in which event the Seller shall be entitled to a reasonable termination charge consisting of a percentage of the contract price reflecting the percentage of work performed prior to receipt of Purchaser's written notice of termination plus actual cost resulting from termination. In no event shall such charge be in excess of the total contract price.
15. **INSPECTION:** Purchaser shall have the right to inspect the products, when practicable during manufacture. Notwithstanding any such inspection, Purchaser shall inspect the products within a reasonable time of delivery, but in no event shall such reasonable time extend beyond 45 days from receipt of products.
16. **ASSIGNMENT:** Neither Seller nor Purchaser shall have the right to assign any right or interest in Company's purchase order unless such assignment is in connection with the transfer of all, or substantially all, of the assignor's business.
17. **OWNERSHIP:** Specifications, drawings, manufacturing data, and other information transmitted between Company and Seller in connection with the Company's purchase order are the property of the originating party, and are disclosed in confidence on the condition that they are not to be reproduced, copied, or used for any purpose detrimental to the interest of the other.
18. **GOVERNING LAW:** The rights and obligations of the Company and the Purchaser with respect to the Company's quotation and any resulting contract shall be governed by the laws of the State of Texas.