

STAKE FASTENER CO., A DIVISION OF DUPREE, INC.

**STANDARD TERMS AND CONDITIONS OF SALE**

**General:** The following terms and conditions shall be, except as otherwise expressly set forth herein, the sole terms and conditions governing the sale of goods by Stake Fastener Co., a division of Dupree, Inc., a California corporation (“Seller”), and/or any Quotation (i.e. Offer) made by the Seller to the purchaser of such goods (“Buyer”). The identity of Seller, Buyer, the goods being purchased, the quantity of the goods being purchased, delivery information, and other material information applicable to the sale of the goods shall be set forth in the Quotation delivered to Buyer. These terms and conditions are incorporated into and made a part of each such Quotation. A Quotation is valid for 90 days from the Quotation date, unless otherwise noted or earlier terminated in writing by the Seller. Stock is subject to prior sale by the Seller. The Quotation constitutes Seller’s offer to sell solely in accordance with the exact terms and conditions hereof, and supersedes all previous written and oral Quotations, representations and/or agreements. Acceptance can be made by Buyer by any commercially reasonable means, including, but not limited to, Buyer’s issuance of an order, acceptance of Seller’s Quotation, or acceptance of goods delivered hereunder. Acceptance hereof by Buyer is expressly limited to the exact terms hereof. If Buyer shall use its own purchase order or other form to order from Seller, such form shall be used for convenience only and shall evidence Buyer’s unconditional agreement to these terms and conditions. Any inconsistent or additional terms or conditions contained therein are expressly rejected by the Seller.

**Scope of Agreement:** Upon the earlier of Buyer’s written acceptance of the Quotation or acceptance by Buyer of goods furnished by Seller in response to a Quotation, the Quotation, the written acceptance, if any, and these terms and conditions shall be the complete and final agreement (the “Agreement”) between Seller and Buyer with respect to the sale of goods identified in the Quotation. No preprinted or form language contained in the Quotation shall be part of the Agreement. Seller’s acceptance of any order issued by Buyer is expressly made conditional upon Buyer’s acceptance of these terms and conditions, and Seller expressly objects to any additional or different terms and conditions. Seller will not be deemed to have waived these terms and conditions if it fails to object to provisions contained in Buyer’s order and/or on other forms furnished by Buyer. Any other documents, catalogs, advertising material, and price lists not expressly included as part of the Agreement as provided above do not form part of the contract between Buyer and Seller. The Agreement, including these terms and conditions, may not be cancelled or changed except in writing signed by both Seller and Buyer.

**Purchase Orders:** Quotations made by Seller to Buyer for goods may be subject to minimum order quantities and/or minimum order values. Any changes to a Quotation requested by Buyer shall be subject to Seller’s consent and equitable price adjustment and such other conditions as Seller may impose.

**Work Preparation and Accessory to the Order:** All drawings, descriptions, technical documents or Quotations disclosed to Buyer shall be communicated as loaned material, for the sole purpose of evaluating and discussing the sale of goods by Seller to Buyer. Right to ownership of or title to material of all loaned documents and prototypes shall remain Seller’s exclusive property. These items must be returned to Seller upon request and shall not be communicated to any third party without the prior written consent of Seller. Expenses incurred

by Seller for designing and creating any tools and for perfecting manufacturing may be subject to a previously agreed financial participation by Buyer. Tools designed by Seller and/or adapted to its methods and equipment shall remain Seller's exclusive property, unless otherwise agreed by Seller and Buyer in writing, and shall stay in Seller's possession. No license or conveyance of any rights under any discoveries, inventions, patents, trade secrets, copyrights or other form of intellectual property is granted or implied to Buyer. Seller does not confer or grant to Buyer in any manner whatsoever any right or interest of any kind in the event of Buyer's participation in designing and creating any tools.

**Inspection, Acceptance and Rejection:** Buyer will make adequate inspection of Seller's goods promptly after receipt. Buyer must notify Seller if goods are suspected of not conforming to drawing or specification requirements. Buyer must receive authorization from Seller for return of suspect parts for Seller's evaluation and disposition.

**Intellectual Property and Confidentiality:** Seller's documents and all related drawings describe products and/or processes which may involve corporate designs or trade secrets, and are the sole property of Seller. Reproduction, distribution, or disclosure to unauthorized persons is prohibited without express permission from Seller, in writing. All intellectual property rights as well as know-how incorporated into the documents transmitted, the goods delivered, the tools utilized, and the services performed shall remain the exclusive property of Seller. The parties are mutually bound by a general obligation of confidentiality concerning the information (documents on any media whatsoever, reports on discussions, plans, exchanges of computerized data, etc.) exchanged in connection with the preparation and performance of the Agreement.

**Delivery and Transportation:** Lead times and delivery dates do not include transportation time and are estimates only, unless otherwise specified. Notwithstanding any express provision on delivery times, a delay in delivery will not result in payment of damages, nor allow cancellation of the order. Orders are shipped FOB Chino, CA; the cost of transportation and risk of loss shall be borne by Buyer.

**Warranty – Liability:** Seller warrants that the goods sold to Buyer will, at the time of shipment, be free from defects in material or workmanship. Furthermore, Seller's warranty shall be strictly limited to compliance of the goods with the drawing as stated in the acknowledgement of Quotation or the drawing in Seller's possession at the date of shipment provided that the technical specifications are not modified. Such warranty is for the lifetime of the goods. Any defects due to modification of the goods, storage, negligence in the handling, and installation of the goods without compliance with the specifications and instructions of Seller and/or with normal usage are excluded from the warranty. Seller's warranty and liability shall be subject to the lot traceability to be performed by Buyer. Buyer shall keep lot traceability records for the goods to ensure that lots manufactured by Seller can be traced through Buyer's manufacturing processes and/or Buyer's clients and/or Buyer's sub-contractors. Seller's sole liability, and Buyer's sole remedy, with respect to defective or improperly manufactured goods shall be limited to having such goods repaired or replaced, or if Seller determines repair or replacement is not reasonably possible, refunding amounts paid for such goods. Seller shall not, under any circumstances, be liable for any special, incidental or consequential damages, including, but not limited to, damage or loss of property or equipment, loss of profits or revenue, injury directly or

indirectly arising from the installation or use of its parts. **SELLER MAKES NO WARRANTY THAT THE GOODS WILL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSES. SELLER MAKES NO WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS SET FORTH IN THESE TERMS AND CONDITIONS.**

**Price and Payment:** Prices are established net of and shall be invoiced pursuant to the conditions of the Agreement. Unless otherwise stated on the Quotation, payment terms are Net 30 calendar days from the date of invoice and are to be paid in US dollars drawn on a US bank. If Buyer fails to make full payment within the agreed terms, Seller may cease to extend credit to Buyer and/or require alternative payment methods.

**Assignment:** Buyer may not assign the Agreement to a third party without the prior written consent of Seller. The Agreement may be assigned by Seller at any time and following such assignment Seller shall have no further obligations hereunder.

**Force Majeure:** Seller will not be liable for any delays or failure to perform any obligations under any Quotation and the Agreement, if the performance of the same is partly or wholly delayed, prevented or hindered by an event of force majeure such as but not limited to accidents, labor disputes or disruptions, strikes, shortages of labor, materials, fuel or power, fires, floods or other acts of God, acts of terrorism or war, acts or omissions of Buyer, restrictions imposed by law or any rules or regulations thereunder, priorities required, requested or granted for the benefit of the government or any other matter beyond Seller's control.

**Termination:** In the event Buyer breaches any of its obligations or fails to make payments in a timely manner as required by the terms of the Quotation and the Agreement, and Buyer does not provide security for future payments to the satisfaction of Seller, or in the event of a change of control of Buyer, or if Seller is subject to bankruptcy or similar action or becomes insolvent, Seller may terminate any and all of its obligations under the Quotation and the Agreement.

**Waiver:** The waiver by Seller of any term, provision, or condition hereof shall not constitute a waiver of any other term, provision, or condition hereof, nor shall such waiver be deemed a waiver of a subsequent breach of the same term or condition.

**Severability:** If any provision of this Agreement is held invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way, and the parties agree to negotiate in good faith to replace such invalid, illegal, and/or unenforceable provision with a valid, legal, and enforceable provision that achieves, to the greatest lawful extent, the economic, business and other purposes of such invalid, illegal or unenforceable provision.

**Entire Agreement:** The Parties acknowledge that this Agreement is the entire and complete agreement between the Seller and the Buyer and supersedes all prior and contemporaneous oral and written agreements and discussions related to the information agreed to herein. This Agreement may be amended only by an agreement in writing that is signed by the Seller.