

**HP Pelzer**  
**Vendor Terms and Conditions**  
**Version 1.0**

**1. The Agreement** No waiver, alteration or modification of these terms and conditions shall be binding unless in writing and signed by Pelzer's Purchasing Agent or other authorized representative of Pelzer. The term "Pelzer" means HP Pelzer Automotive Systems, Inc., a Michigan corporation, or other such company identified on the first page of the Purchase Order printed form to which this version of Pelzer-Vendor Terms and Conditions are attached or incorporated as the Ordering Company. In case the terms and conditions of any acknowledgement form, correspondence or other document purporting to set terms between us, this Agreement shall supersede all such other items and constitute the sole terms and conditions in effect, absent modification in writing signed by both Pelzer and Vendor. The term A Vendor shall mean the company selling goods to Pelzer hereunder, which is identified on the first page of the Purchase Order (hereafter called the Purchase Order) as the Vendor. The term Agreement means the entire agreement between the parties as to the subject matter described herein, which is made up of the Purchase Order printed form as completed and attached hereto, the Pelzer-Vendor Terms and conditions, any attached or incorporated specifications and any written modifications thereto signed by each party, or requested in writing by one party and performed by the other.

**2. Prices** Do not fill this order or charge at prices different from those set forth in this Agreement without written authorization from Pelzer. Pricing shall be as set in this Agreement and no adjustments will be made, recognized or invoiced to Pelzer without the prior written consent of an authorized representative of Pelzer.

**3. Delivery** It is an H.P. Pelzer requirement that each supplier meet 100% of our on-time delivery requirements. Unless otherwise agreed in writing, delivery of all products ordered hereunder shall be F.O.B. point of shipment (by common carrier or otherwise) to Pelzer. Vendor shall comply with any routing instructions, including mode of shipment, which Pelzer may furnish. Vendor will be responsible for any transportation cost premiums and/or cancellation charges, which result from Vendor's failure to comply with Pelzer's shipping or delivery instructions. Except to the extent Pelzer incurs liability to its customer or another third party by reason of delay in delivery of, or unavailability of appropriate parts or systems, incorporating items acquired from Vendor hereunder, in which case Vendor shall indemnify and hold Pelzer harmless from and against all such liability (including reasonable attorney fees and costs of defense), Vendor shall not be responsible for delay in delivery or failure to manufacture or deliver items ordered hereunder due to causes beyond Vendor's reasonable control, provided Vendor gives Pelzer prompt written or telegraphic notice of said delay. If for any reason Vendor does not comply with Pelzer's delivery schedule, Pelzer at its option may either approve a revised delivery schedule or cancel this Agreement without further obligation. Products shipped to Pelzer in advance of the schedule or in excess of the quantity ordered may be returned to Vendor at its expense.

All products shipped against this purchase order shall be expected in all cases to conform to the fundamentals of TS 16949 quality systems specifically:

1. BS EN ISO 9001-2000
2. QS 9000
3. TS 16949

**4. Changes** Pelzer shall have the right to make changes in this Purchase Order. If such changes affect the delivery schedule of the price, Vendor will notify Pelzer immediately. No price increase shall be allowed unless approved in writing by Pelzer, but production shall not be delayed pending determination of the appropriateness or amount of any price increase.

**5. Part Identification** Any part which is being delivered hereunder which is being manufactured to Pelzer's specifications (or those of Pelzer's Customer) shall bear Pelzer's part number or the part number of Pelzer's customer which Pelzer designates. Pelzer reserves the right to require use on parts being manufactured for it under this Agreement, of Pelzer's part number, that of Pelzer's customer, or any other part number and Vendor agrees to comply without additional charge.

**6. Inspection at Vendor's Plant** When Vendor is supplying products to Pelzer or Pelzer's customer's specifications; Pelzer and Pelzer's customers reserve the right to inspect vendor's premises during any stage of manufacturing and at any reasonable time.

**7. Indemnification** Vendor hereby agrees to indemnify, defend and hold Pelzer, its officers, directors, employees, Affiliates and agents (individually or collectively called Indemnified Parties) harmless from and against all claims and damages, costs, losses and all other requirements to pay or perform any obligation, including actual, consequential, punitive and other damages, economic or non-economic loss suffered by an Indemnified Party or any third party, with interest, penalties, legal fees and costs, due to or arising out of: Vendor's involvement in this Agreement, its acts or omissions thereunder, the performance of this Agreement, or the sale, design, development, manufacture, warning, testing or failure of unsuitability of the materials. Parts or any component of system manufactured or sold hereunder, or the system into which the same is incorporated, or any defect or failure in any of the same, whether arising under a claim of any person or entity, a lawsuit, administrative or other proceeding, under tort, product liability, contract, warranty, strict liability theory or otherwise.

Vendor further agrees to pay any assessment or contribution required to be paid pursuant to the workers compensation Act of each province or other governmental entity in which the work is situated and upon failure to do so, Pelzer may retain the amount of such assessment or contribution from any payment due to vendor under the Agreement. Before commencement of the work, Vendor shall deliver to Pelzer, at the office from which the work is being supervised, certificates from the workers compensation board that all assessments and contributions payable to the workers compensation board have been paid, if applicable. Before Pelzer makes the final payment, Vendor shall deliver similar certificates with this application for final payment.

**8. Warranty** Vendor warrants/guarantees that the goods and services covered by this Agreement will conform to the specifications, drawings, samples or descriptions furnished to or by Pelzer, if any and will be merchantable, of good material and workmanship and free from defect. In addition, Vendor acknowledges that Vendor knows of Pelzer's intended use and warrants/guarantees that all

goods and services covered by this Agreement that have been selected, provided, designed, manufactured or assembled by Vendor based upon Pelzer's stated use will be fit and sufficient for the particular purposes intended by Pelzer. The warranty period shall be that provided by applicable law, except that if Pelzer (or its customer) offers a longer warranty to its customers (or end users of vehicles) for goods installed on vehicles, such longer period shall apply.

**9. Patterns, Tools and Dies** All patterns, tools, dies or other material furnished by Pelzer (or its customer) to Vendor or which are specifically paid for by Pelzer (or its customer) and any replacement thereof, or anything affixed or attached thereto, shall be and remain Pelzer's personal property (or that of Pelzer's customer, if it pays for the same). Such property, if it can reasonably be done, shall be plainly marked or otherwise adequately identified by Vendor as property of Pelzer or its customer, by name and shall be safely stored separate and apart from Vendors property. Vendor shall not substitute any property for Pelzer's property or that of its customer and shall not use such property except in filling Pelzer's orders. Such property while in Vendors custody or control shall be held at Vendors risk, shall be kept insured by Vendor at Vendors expense in an amount equal to the replacement cost with loss payable to Pelzer and shall be subject to removal at Pelzer's request, in which event Vendor shall prepare such property for shipment and shall deliver it to Pelzer or its nominee in the same condition as originally received by Vendor, reasonable wear and tear excepted.

In the event that Pelzer's customer requires that it own any of the tools, jigs and/or fixtures, Vendor agrees to the same, solely as to the items for which customer asserts or contractually seeks title, in consideration of Pelzer hereby agreeing to compensate Vendor for all costs and expenses including wages, reasonable expended or reasonable required to be expended to produce, repair and/or maintain such item(s) to the extent Vendor has not otherwise been provided with the right to compensation for all such amounts from customer of Pelzer under this or any other purchase order or contract.

**10. Proprietary Information** In the event that Pelzer supplies Vendor with any design, drawings or other material, which at the time of delivery are identified by Pelzer as containing proprietary information or trade secrets or are subject to a confidentiality agreement, Vendor agrees not to disclose or use for the benefit of Vendor or others, such designs, drawings or other material without Pelzer's written content, unless the information contained there (a) becomes public domain information without fault or cause by Vendor or (b) is in Vendors possession or known to Vendor prior to Vendors first receiving it from Pelzer and is not proprietary intellectual property of Pelzer. Any knowledge, information or trade secrets, which Vendor disclosed or hereafter discloses to Pelzer in connection with this Agreement, shall not, unless Pelzer agrees otherwise in writing, be deemed to be confidential or proprietary information and shall be acquired, free from any restrictions, as part of the consideration for this order. The provisions of this Agreement are in addition to and do not supersede and do not merge with the terms of any confidentiality agreement of similar agreement signed by the parties, each of which will remain in full force and effect for the period stated therein, but for at least two years beyond the last date that goods or services are provided by Vendor to Pelzer under this Agreement.

**11. Compliance with Laws, Setoff and Drawback** Vendor shall comply with all applicable federal, provincial, State and local laws in Vendors performance under this Agreement. Pelzer shall be entitled at any time to set off any amount owing at any time from Vendor to Pelzer or any of Pelzer's Affiliates, whether arising under this Agreement or otherwise, against any amount payable at any time by Pelzer in connection with this Agreement.

**12. Applicable Law** This Agreement will be governed by and interpreted under the laws of the State of Michigan and federal law of the United States if the front page of the Purchase Order printed form included in this Agreement shows the order has been placed by a Pelzer company which is domestic to the United States (or one of its States); or the law of any other jurisdiction if the Pelzer company placing the order is domestic to that jurisdiction. In all cases applicable law will be applied without regard to, without giving effect to and expressly excluding applicability of the (1) conflict of law provisions of each jurisdiction and (2) the provisions of the United Nations Convention on Contracts for the International Sale of Goods.

Any action or proceedings by Pelzer against Vendor may be brought by Pelzer in any court(s) having jurisdiction over Vendor, or, at Pelzer's option in the court(s) having jurisdiction over Pelzer's location in which event Vendor consents to jurisdiction and service of process in accordance with applicable procedures. Any actions or proceedings by Vendor against Pelzer may be brought by Vendor only in the court(s) having jurisdiction over the location of the Pelzer Company, which is a party to this Agreement.

**13. Termination** (a) At 1<sup>st</sup> option, upon written notice to Vendor (whether or not Vendor is in default) and for any reason, Pelzer may terminate or delay all or part of the work under this Agreement and (assuming Vendor is not in default) upon six (6) months written notice may terminate this entire Agreement. Upon any termination of work or of this entire Agreement, whether or not Vendor is then in default, Pelzer shall not owe Vendor any sum for any reason, other than the purchase price for parts already delivered to date.

(b) Pelzer requires strict performance of each and every term and condition of this Agreement and if goods or services are rejected by Pelzer as non-conforming the Vendor shall have no right to remedy such default. Pelzer may give written notice to Vendor, cancel for default this Agreement in whole or from time to time in part (1) if the Vendor fails to deliver goods or to perform the services, within the time specified in or required under this Agreement; (2) if the Vendor fails to deliver goods which conform to the contractual requirements or to perform any of the provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms or (3) if the Vendor becomes insolvent or commits an act of bankruptcy or if reorganization proceedings are commenced by or against Vendor.

(c) If this Agreement is cancelled for default, Pelzer shall have any and all rights and remedies which the law provides for failure to perform in accordance with contract requirements, including the right to charge Vendor with the costs incurred by Pelzer in fabricating or procuring from other sources goods or services which Vendor fails to furnish Pelzer in accordance with this Agreement to the extent that such costs shall exceed the purchase price set forth herein and Pelzer may set off any such charge and purchase price against any amounts which may become otherwise payable by Pelzer to Vendor, under this Agreement.

**14. Affiliate(s)** In the event these Pelzer-Vendor Terms and Conditions are part of a Supply Agreement, the term “Affiliate” has the meaning defined in the text of such Supply Agreement, but otherwise it shall mean with respect to a first company, those business entities which directly or indirectly, are owned by or under effective control of the first company, or that own or effectively control the first company, or along with the first company are under common control (by ownership or effective control) by another party or business entity.

**15. Acceptance** Transfer of title to Pelzer for goods sold hereunder shall occur upon Pelzer’s receipt of delivery and acceptance of the goods. In the event the goods are rejected or acceptance is revoked, title shall then revert to or remain in Vendor. Pelzer shall have a reasonable period of time to inspect such goods upon receipt of the same at the destination of the shipment from Vendor to Pelzer and to reject the same in whole or in part, if not meeting the requirements for goods to be acquired hereunder (or to revoke acceptance, in whole or in part, as permitted under applicable law). Goods are not deemed accepted until they pass inspection at the location identified above. If the goods are rejected or acceptance is revoked, they shall be returned to Vendor at its cost and the delivery shall not be considered to have been timely made. In case Pelzer’s making, using or selling any item or use of process or product appearance as a result of this Agreement is in such suit or proceeding held to constitute infringement, or other violation of a third party’s rights and the use of said product, part, process or appearance is enjoined, Vendor shall at its expense and its option, procure for Pelzer the right to continue using said product, part, process or appearance or replace the same with a non-infringing or permitted product process or appearance acceptable to Pelzer or modify it so it becomes non-infringing, legally permitted and acceptable to Pelzer. Risk of loss to goods under this Agreement shall be on Vendor until title is transferred irrevocably to Pelzer.

Payment for goods or services furnished or performed pursuant to this order shall not constitute acceptance by Pelzer and such payments shall be deemed to have been made without prejudice to any and all claims Pelzer may have against Vendor.

**16. Intellectual Property** Vendor agrees (a) to defend, hold harmless and indemnify Pelzer, its Affiliates, their successors and permitted assigns and their respective officers, directors and employees from and against any claims of infringement of any intellectual property right or similar violation of law (including patent, trademark, service mark, copyright, industrial design right, moral rights, trade dress or other proprietary right or misuse or misappropriation of trade secret or unfair competition and resulting damages, judgments, arbitration or other proceeding awards, amounts owed under settlements, for license fees and for expenses (including reasonable attorney fees and costs of defense) relating to or arising out of the goods or services contracted for hereunder, or any related processes used in manufacture or design thereof, or appearance of goods, including such claims where Vendor has provided only part of the goods or services. Vendor expressly waives any claim against Pelzer that such infringement or other violation of another’s rights occurred or arose out of compliance with Pelzer’s specifications, if any, (b) that Pelzer or Pelzer’s subcontractor, if any, does not have the right to repair, reconstruct or rebuild the specific goods delivered under this Agreement without payment of any royalty to Vendor, (c) that parts manufactured based on Pelzer’s drawings and/or specifications, if any, may not be used for Pelzer’s own use or sold to third parties without Vendors express written authorization and (d) Vendor agrees that to the extent that this Agreement is issued for the creation of copyrightable works, the works shall be considered works made for hire on behalf of Pelzer and to the extent that the works do not qualify as works made for hire, Vendor hereby assigns to Pelzer all right, title and interest in all copyrights and moral rights therein.

**17. Service and Replacement Parts** Vendor will sell to Pelzer goods necessary for it to fulfill its current model service and replacement parts requirements at the price(s) set forth in this contract. If the goods are systems or modules, Vendor will sell the components or parts that comprise the system or module at price(s) that shall not, in the aggregate, exceed the price of the system or module less assembly costs. During the 15-year period after Pelzer completes current model purchase (or such longer period as is required by Pelzer’s customer), Vendor will sell goods to Pelzer to fulfill Pelzer’s past model service, ongoing model service requirements and replacement parts requirements. Unless otherwise agreed to by Pelzer, the price(s) (for service and replacement parts) during the first 3 years of this period shall be those in effect at the conclusion of current model purchases. For the remainder of this period, the price(s) for goods under this section shall be as agreed to by the parties. In the event Pelzer’s customer required a price reduction or other changes having the effect of a price reduction. Vendor agrees to renegotiate the price accordingly for items sold to Pelzer that are used in such Parts or systems sold to the customer. When requested by Pelzer, Vendor shall make service literature and other materials available at no additional charge to support Pelzer’s service part sales activities.

**18. Remedies** The rights and remedies reserved to Pelzer in this contract shall be cumulative with and additional to all other or further remedies provided in law or equity. Without limiting the foregoing, should any goods fail to conform to the warranties set forth in section 10 or other requirements of this Agreement or under law. Pelzer shall notify Vendor and Vendor shall, if requested by Pelzer, reimburse Pelzer for any damages, including attorney fees and costs of defense, incidental and consequential damages, caused by such nonconforming goods, including but not limited to costs, expenses and losses incurred by Pelzer or its customers (a) in inspecting, sorting, requiring or replacing such nonconforming goods (b) resulting from production interruptions of Pelzer’s customer (c) recall liability and damage from conducting recall campaigns or other corrective service actions and (d) claims for personal injury (including death) or property damage caused by such nonconforming goods. If requested by Pelzer, Vendor will enter into a separate agreement for the administration or processing of warranty chargeback’s for nonconforming goods.

**19. Customs, Export & Labels** Vendor shall provide all information necessary (including written documentation and electronic transaction records) to permit Pelzer to fulfill its customs related obligations, origin marking and labeling requirements and local content origin requirements, if applicable. Export licenses or authorizations necessary for the export of the goods shall be the responsibility of Vendor.

**20. Compliance with Laws, Forced Labor** Vendor and any goods or services supplied by Vendor, shall comply with all applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country(ies) of destination or that relate to the manufacture, labeling, transportation, importation, licensing, approval or certification of the goods or services, including but not limited to those relating to environmental matters, wages, hours and conditions of employment, subcontractor selection,

discrimination, occupational health/safety and motor vehicle safety. Vendor further represents that neither it nor any of its subcontractors, if any permitted, or will utilize slave, prisoner or any other form of forced or involuntary labor in the supply of goods or provision of services under this Agreement. At Pelzer's request, Vendor shall certify in writing its compliance with the foregoing. Vendor shall indemnify and hold Pelzer harmless from and against any and all liability claims, demands or expenses (including reasonable attorneys fees and other costs or defense) arising from or relating to Vendors noncompliance. All invoices for items produced or sold subject to the U.S. Fair Labor Standards Act must contain the following certification in order to be passed for payment: We hereby certify that these goods were produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.

**21. Non-Assignment and Further Assurances** Vendor may not assign or delegate its obligations under this Agreement without Pelzer's prior written consent. Vendor will assure that the goods remain competitive in terms of technology, design and quality with similar goods available to Pelzer. If, within the reasonable opinion of Pelzer, the goods do not remain competitive, Pelzer, to the extent it is free to do so, will advise Vendor in writing of the area(s) in which another product is more competitive with respect to technology, design or quality. If Vendor does not agree to immediately sell the goods with comparable technology, design or quality, Pelzer may terminate this Agreement and purchase from another supplier without liability to Vendor. The provisions of the Section are in addition to and not in place of any similar terms agreed upon by Vendor and Pelzer under this Agreement.

**23. Right to Audit** Vendor grants to Pelzer access to all pertinent information, including but not limited to, books, records, payroll data, receipts, correspondence and other documents for the purpose of auditing Vendors charges under this Agreement. Vendor will preserve these documents for a period of one year after the final payment under this Agreement. In addition, all work, materials, inventories and other items provided for under this Agreement must be accessible to Pelzer, including, but not limited to, parts, tools, fixtures, gages and models. Vendor will segregate its records and otherwise cooperate with Pelzer so as to facilitate the audit.

**24. Severability** If any term(s) of this Agreement is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term(s) shall be deemed deleted but only to the extent necessary to comply with such state, regulation, ordinance, rule or order and the remaining provisions of this Agreement shall remain in full force and effect.

**25. Entire Agreement** This Agreement, together with the attachments, exhibits, supplements or other terms of Pelzer specifically referenced in this Agreement, constitutes the entire agreement between Pelzer and Vendor with respect to the matters contained in this Agreement and supercedes all prior oral or written representations and agreements. This Agreement may only be modified by an amendment signed by both parties or issued by Pelzer and performed by Vendor.

If Vendor's quotation, order acknowledgement or other correspondence contains terms or conditions contrary to or in addition to Pelzer's terms and conditions, such contrary or additional terms are hereby refused and rejected (and without any requirement of further notice of such refusal or rejection) and neither acceptance by Pelzer of the goods and services nor payment therefore shall constitute a waiver by Pelzer of any of the terms and conditions and contained herein or assent to any other conditions. References to Vendor's bids or proposals, if noted in this Agreement, shall not affect the terms and conditions hereof unless specifically provided to the contrary herein.

If Vendor's quotation is referenced apart from in this Section, such quotation is incorporated in this Agreement only to the extent of specifying the nature or description of the goods ordered, and then only to the extent such provisions are consistent with the other terms herein and if there is a conflict between any terms and conditions proposed by Vendor and this Agreement, then this Agreement shall control. Terms of Vendor's quotation are not otherwise a part of this Agreement, unless incorporated herein by reference.

**26. Vendor Responsibilities** Vendor represents, warrants and acknowledges the following to Pelzer and Pelzer and Vendor have agreed to the additional terms set forth below:

(a) Pelzer has requested Vendor manufacture and sell it the automotive materials, component(s) and/or systems described by part number and otherwise on the first page of this purchase order contract (individually and collectively called the Part(s)) in such quantities as Pelzer may order for use on its customer's (customers') vehicles, for production and service part needs, for the period of time equal to the duration then specified by the customer to Pelzer (or as specified in the attached Supply Agreement, if any) or if not specified, the period model production and service/replacement parts are required by Pelzer's customer.

(b) Vendor has designed any system into which the Part, materials and components are incorporated for sale to Pelzer and has fully tested, investigated, designed and examined the items and their adaptation and use (individually or in a system) in the customer vehicle for which it is intended to be used; and based on its testing, design and other efforts and not based upon any representations of Pelzer, Vendor has determined the items sold to Pelzer to be satisfactory and suitable. Vendor acknowledges it is a merchant regularly dealing in goods and in the business of designing, developing, testing, manufacturing and selling automotive materials, parts and systems, of the same type as the parts, materials, components or systems referenced herein and adapting the same for use in various automotive manufacturers' vehicles and is aware of the safety requirements of such Parts, materials, components and systems and the expected hazards involved in the design, development, manufacture and use of such items in a vehicle.

(c) The specifications, design characteristics and dimensions and other pertinent information with regard to the system and the vehicle environment in which the materials, Parts, components or a resulting system will or may be used have been set by or evaluated by Vendor and Vendor has participated in the design, manufacture, construction, formulation, development of standards and specifications, preparation, processing, assembly, inspection, testing, certifying, warning, instruction or labeling or determination of the sufficiency or appropriateness of the design, dimensions, clearances, testing, materials selection of safety considerations in deciding to use or finalizing aspects of the Parts, materials, component's or system's use for the purpose of its incorporation into the customer vehicle and any Pelzer system. Vendor further has designed the Part of any material, component of system for sale to Pelzer to be used by Pelzer or in Pelzer's system or to adapt to such system of the vehicle environment (including but not limited to assuring

adequate clearances). All responsibility for work, information and actions described in this subsection (c) has been assumed and undertaken solely by vendor. The parties agree Pelzer has not furnished specifications to Vendor; any specifications pertaining to items ordered hereunder have been set by Vendor or Pelzer's customer.

(d) Vendor has made the decision that it desires Pelzer to use and has accepted as appropriate for Pelzer usage the Part, materials, components or systems as described in the documents and limited specifications attached or referenced in this Agreement, all of which are the requirements of and are required by Vendor; and Vendor represents that it is aware of the properties of the items being sold, including potential hazards or adverse effects of its use and that Vendor has used appropriate specifications and product characteristics, including materials and manufacturing techniques to manufacture of the same and has made any recommendations it found necessary on changes to the specifications and product characteristics, based on the information available to Vendor on the proposed use of the Parts, materials, components and systems and Vendor has determined that any other or additional requirements that could be incorporated or used are impractical and unnecessary.

(e) Vendor will, in design, testing and use of the Parts, components, materials and systems and manufacture and assembly of the same and its sale and subsequent dealings with Pelzer, its customer, their dealers and any of their customers or governmental agencies, comply with all applicable laws, government safety standards, regulatory authority and industry group standards and recommendations and will fully test and analyze, design and have approved, validated and interface of such systems with the customer vehicle in which it is to be used and will make such changes, improvements and revisions and inform Pelzer of the changes needed as a result of such work, or of any recalls, warranty claims, defects discovered or experience with such items in the vehicles after sale. Vendor provides Pelzer with a warranty that Pelzer will obtain unencumbered title to goods sold to Pelzer hereunder, along with all warranties of title set forth in the Uniform Commercial Code.

(f) Vendor acknowledges that it assumes all responsibility for ensuring, at its sole cost, that all testing and analysis as is needed to meet QS9000 requirements or any other quality certification standards Pelzer's customer or Pelzer requires, on Parts, components, materials, systems and processes incorporating or involving any product sold by Vendor to Pelzer for the customer vehicles hereunder will be properly completed and satisfied by Pelzer, whether or not Pelzer is or has been certified as meeting such certification requirements apart from this contract. The Pelzer-Vendor Terms and Conditions only apply as set forth in this Agreement and no term or condition that is not stated in this Agreement shall be deemed to apply simply because it appears in a standard set of terms and conditions.

**27. Ingredients Disclosure and Special Warnings and Instructions** If requested by Pelzer, Vendor shall promptly furnish to Pelzer in such form and detail as Pelzer may direct (a) a list of all ingredients in the goods purchased hereunder, (b) the amount of one or more ingredients and (c) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the goods purchased hereunder, Vendor agrees to furnish to Pelzer sufficient warning and notice in writing (including appropriate labels on goods, containers and packaging) of any hazardous material which is an ingredient or part of any measure of care and precaution which will best prevent bodily injury or property damage in the handling, transportation, processing, use or disposal of the goods, containers and packing shipped to Pelzer.

**28. Taxes** Vendor agrees that all excise, profits, occupation, sales, use another taxes applicable to in connection with the purchase, sale or use of material or articles applicable to or in connection with Vendor's work or to Vendor's receipts for the performance of the work covered by this Agreement, whether imposed by any statute now in force or enacted prior to the delivery of the goods herein referred to, shall be for Vendor's account and Vendor shall indemnify and save Pelzer harmless from and against all liability for such taxes and related interest, penalties and charges.

**29. Equal Opportunity** It is the policy of Pelzer to extend employment opportunities to Disabled Veterans of the Vietnam era and to qualified applicants and employees on an equal basis regardless of an individual's age, race, color, sex, religion, handicap or national origin. Pelzer requests that its subcontractors, vendors and suppliers take appropriate action with respect to implementation of their own equal opportunity policies. During performance of this Agreement, Vendor agrees to comply with all provisions of the Equal Opportunity Clause set forth in 41 CFR Part 60-1 as amended. This order shall be deemed to incorporate by reference all clauses required by the provisions of said regulations and laws, including the requirements for certification of use of non-segregated facilities and where the term "Contractor" is used, said clauses shall be deemed to refer to Vendor.

**30. Affirmative Action** Vendor certifies that it has developed and presently has in force and effect, if applicable, a written affirmative action compliance program in accordance with the requirements set forth in 41 CFR Part 60-741, as amended, pertaining to Affirmative Action for Handicapped Worker, are hereby incorporated by reference.

**31. Delays: Force Majeure** Shipment and delivery date(s) specified are of the essence of this Purchase Order. However, Vendor shall not be liable for delays in manufacturing of delivery of goods and services and Pelzer shall not be liable to accept any part of such goods and services to the extent that such delays are due causes beyond the reasonable control of the party (Pelzer or Vendor) affected thereby, such as acts of God, acts of civil or military authorities, government priorities, fires, strikes, lockouts, floods, epidemics, war, riot or a contingency the non-occurrence of which was a basic assumption of which this Agreement was made, provided that the party affected thereby promptly notifies the other party of such event and uses its best efforts to remedy the situation and provided further, that in the case of any such event affecting Vendor, Vendor shall allocate production, inventories and deliveries to Pelzer.

In the event that vendor is a party to any labor agreement the expiration of which might reasonably be anticipated to cause a delay in performance hereunder, Vendor shall give Pelzer as much advance written notice as practicable of the date of expiration of such agreement and Vendor's expectation with respect thereto. Vendor shall also advise Pelzer as promptly as practicable of any strike or other difference with employees that might reasonably be anticipated to cause a delay in performance hereunder and shall keep Pelzer reasonably advised of all developments relating thereto.

**32. Insurance** Where fulfillment of this Agreement required Vendor to perform work on premises of Pelzer (used herein as defined clause 13), Vendor shall procure at its own cost and keep in force the following insurance, satisfactory to Pelzer as to form and limits of liability, until completion and final payment hereunder.

- (a) Workmen's Compensation insurance as required by the Workman's Compensation laws of the state of which the work is being performed; and
- (b) Public Liability and Property Damage insurance, including contractual liability insurance as required to cover liabilities assumed hereunder by Vendor and Automobile Liability and Property Damage insurance if automobiles, trucks, trailers or other vehicles are to be used.

Prior to commencement of any work hereunder, evidence of such insurance, in policy or certificate forms shall be deposited with Pelzer's Accounting Department at the District of Division where the goods are to be delivered or the services are to be performed. Vendor similarly shall provide where such a subcontractor of Vendor performs any part of this Purchase Order, evidence of such insurance on behalf of such subcontractor to Pelzer.

**33. Liens and Claims** All goods and services hereunder shall be delivered free of all liens, claims and encumbrances. Vendor shall pay promptly all claims and demands for all labor and for machinery, fuel or any other equipment furnished in the performance of the work contemplated by this Agreement and shall fully protect and indemnify Pelzer against such claims and against any and all claims or debts on account of which liens might be obtained. Vendor shall also indemnify Pelzer against court costs and attorney's fees, incurred or sustained by Pelzer be reason of any such claim, debts or liens. Pelzer reserves the right to satisfy and obtain the release of any liens filed against the property of Pelzer as a result of work performed or goods furnished by Vendor hereunder and in such cases to use sums otherwise payable to by Pelzer to Vender hereunder.

**34. Advertising** Vendor may not, without written consent of Pelzer's authorized representative, advertise or publish in any manner, the fact that Vendor has furnished or contracted to furnish the goods or services specified herein.