

Spang Power Electronics

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BULLETIN SPE-PT100-12

TERMS AND CONDITIONS OF PURCHASE ORDER

Wherever the word "Buyer" appears herein, it refers to the Spang & Company Division identified on the face of this Order, and wherever the word "Seller" appears herein, it refers to the Vendor to whom this order is addressed.

1. No agreement or other understanding in any way modifying the conditions of this contract shall be binding upon the Buyer unless made in writing and signed by an authorized representative of Buyer.

2. Any design, pattern, tool, die, jig, fixture, drawing, or test equipment, heretofore and hereafter furnished Seller by Buyer in connection with this order, shall remain Buyer's Property, shall be returned upon completion of order, and shall not be used in the manufacture of any article for other than Buyer. Tools, dies, jigs, fixtures and test equipment, the costs of which have been included in computing the price specified on the face hereof, or for which Buyer is to pay Seller as a separate item as indicated on the face hereof shall, upon such payment, become the property of Buyer, and shall be marked as directed, and held for delivery to Buyer.

3. Seller agrees to treat all drawings and specifications and other information furnished by Buyer in connection with this agreement as strictly confidential, except that drawings may be furnished to Seller's vendors for ordering parts when approved by Buyer. Materials made or supplied in accordance with drawings or specifications applicable to the materials ordered hereunder shall not be supplied to anyone other than Buyer without the written permission of Buyer.

4. WARRANTIES

A. Unless the goods ordered are of designs furnished by Buyer, Seller warrants that the manufacture, production, labeling packaging, shipment, sale and use of the goods ordered does not and will not infringe or violate any patent rights, trademarks, service marks or copyright; and Seller will defend and hold the Buyer harmless from all claims and actions alleging infringement of any such rights and will indemnify the Buyer against all liability, expense and fines resulting from any such infringement claim.

B. Seller warrants that the goods ordered will be manufactured, produced, furnished and delivered in compliance with all applicable federal, state and local laws and regulations.

C. Seller warrants that the goods ordered shall conform to the description on the face of this order, shall conform to any prototype or samples previously furnished, shall be merchantable, and shall be fit for the purpose for which the Buyer requires them.

5. **Insurance.** Seller shall indemnify and hold Buyer harmless from and against all claims, liabilities and actions alleging any defect in the goods or any injury or death arising out of the use of the goods, including strict liability claims under any statute or common law relating to product liability. Seller shall maintain adequate insurance to protect Buyer under this clause and will furnish Buyer with certificate of insurance upon request.

6. **Time Of The Essence.** Buyer reserves the right to cancel this order or any part thereof, provided delivery is not made within time specified in the order or acknowledgement, or if material furnished does not meet specifications called for by this order, unless such delay or specification change is agreed to in writing.

7. **Quantities.** Material shipped must not be in excess of specified quantities for specified dates; overshipments may at Buyer's option be returned to Seller at Seller's expense.

8. **Packing.** All items are to be packed in suitable containers for protection in shipment and storage. Any highly polished, highly finished or precision parts are to be properly greased and packed in containers which will afford protection against atmospheric deterioration. Packing slip showing contents and purchase order number must accompany all shipments. No charge is allowed for boxing, packing, crating, unless agreed by Buyer in writing in advance.

9. **Routing.** When no routing is specified, Seller shall forward by most direct and cheapest route.

10. **Prices.** If prices are higher than specified Seller shall not ship, but shall advise Buyer. If price is omitted on the order, it is agreed that Seller's price will be the lowest market price. The prices herein stated include all applicable Federal Excise Tax imposed upon items furnished hereunder.

11. **Right of Inspection.** Goods will be subject to the Buyer's inspection on arrival, notwithstanding prior payment to obtain discount. Defective goods will be returned at Seller's expense and credit taken on settlements. The Seller agrees to immediately replace defective goods so returned if the Buyer shall require, but the Buyer shall not be required to order or take replacements.

12. **Emergency Response.** In the event of a release to the environment resulting from vendor activity on Spang & Company property, Spang & Company personnel will arrange for Emergency Response services. The vendor will reimburse Spang & Company for all Emergency Response and reporting costs incurred to contain, remove and dispose of the released materials in compliance with applicable regulations, and to restore affected areas to their prior condition.

13. **No Assignment.** This order shall not be assigned, transferred or delegated by Seller without the prior written consent of Buyer.

14. **Acceptance.** Seller's performance or partial performance, in any degree, of this order shall conclusively constitute acceptance of the foregoing terms and conditions.

15. **Equal Opportunity Clause.** The equal opportunity clauses set forth in 41 C.F.R. parts 60-1.4, 60-250.4 and 60-741.4 are incorporated herein by reference.