1. Terms of Agreement. These Standard Terms and Conditions of Purchase (these “T&Cs”) shall be made a part of and incorporated into the purchase order (the “Purchase Order”) issued by Norgren Kloehn LLC (“Buyer”), and the Purchase Order is subject to these T&Cs. Any reference herein to the Purchase Order shall include these T&Cs. This Purchase Order is effective only if it is signed by Buyer or its authorized representative. Neither this Purchase Order, any other documents referenced in the order, and the complete and final agreement between Buyer and Seller. No waiver, alteration, or modification of the terms and conditions set forth herein shall be valid unless expressly agreed to in writing by Buyer. Any different, additional or conflicting terms or conditions set forth in any invoice or any other document issued by the party selling the goods to Buyer shall have no force or effect except to the extent Buyer agrees in writing to such additional or conflicting terms or conditions. The terms and conditions stated herein are expressly objected to by Buyer and the terms and conditions set forth herein shall exclusively govern the purchase and sale of the goods covered by the Purchase Order. The Purchase Order is accepted by Seller upon Seller’s written acceptance or its delivery of goods pursuant to the Purchase Order.

2. Delivery Terms.

2.1. If delivery of goods is not made in the quantities and/or at the time(s) specified in the Purchase Order, Buyer reserves the right, without liability to take either of both of the following actions: (a) direct the manufacture, delivery and/or packaging of the goods; and (b) cancel this order or balance by notice effective when delivered to Seller; to purchase substitute goods elsewhere and charge Seller with any loss incurred, including the difference between the cost of substitute goods and the goods that would have been provided by Seller.

2.2. Seller shall ship the goods in accordance with Buyer’s instructions and the order routing costs shall be paid by Seller. (b) cancel this order or balance by notice effective when delivered to Seller; to purchase substitute goods elsewhere and charge Seller with any loss incurred, including the difference between the cost of substitute goods and the goods that would have been provided by Seller.

2.3. Each shipment of goods shall include separate packing slips showing: (a) Buyers’ Purchase Order number; (b) Buyer’s part number and revision level for each goods shipped, if applicable; (c) a description of the goods; (d) individual serial numbers of the goods, if applicable; (e) certificate(s) of compliance and/or material certifications, if applicable; and (f) the total quantity of goods shipped.

2.4. Buyer will have no liability for payment of goods delivered to Buyer in excess of quantities specified in the Purchase Order received from Seller. Buyer shall have the right to reject and returned to Buyer’s expense, including transportation charges both ways. Buyer will not be liable for any material or production costs incurred in excess of the amount or in advance of the time necessary to meet Buyer’s delivery schedule.

2.5. Seller shall package the goods in a manner that will prevent damage during shipping and ship the goods in accordance with Buyer’s instructions. Seller shall be liable for any loss or damage incurred as a result of improper packaging, crating and/or routing, including additional transportation costs due to improper routing.

3. Prices. If a price is not stated in the Purchase Order, Buyer and Seller agree that the goods shall be billed at the lesser of (a) the price last quoted to Buyer by Seller and (b) Seller’s prevailing customary market price. The Purchase Order may not be filed at a price higher than that which was last quoted or charged to Buyer without Buyer’s specific written authorization. Buyer shall not be charged for taxes, transportation, box, packing, or returnable containers in connection with the Purchase Order, unless such charges have been previously specifically agreed to in writing by Buyer. All sales, use, excise and similar taxes to be paid by Buyer, if any, must be itemized separately on the applicable corresponding invoice.

4. Seller’s Warranty.

4.1. EXPRESS WARRANTY FROM SELLER IS CREATED BY ANY AFFIRMATION OF FACT OR PROMISE MADE BY SELLER WHICH BECOMES PART OF THE BASIS BY WHICH THE AGREEMENT RELATING TO THE GOODS WAS MADE. ANY SAMPLE OR MODEL PROVIDED BY SELLER IS EXPRESSLY FOR THE PURPOSE EXPLICITLY WHERE SELLER HAS HAD AN OPPORTUNITY TO KNOW OF SUCH PARTICULAR PURPOSE AND HAS ASSISTED IN SELECTION AND/OR APPROVAL OF ITS USE FOR A PARTICULAR PURPOSE.

4.2. WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE EXIST, WITHOUT LIMITATIONS, AS SET FORTH AND DESCRIBED IN SECTION 5 BELOW. ANY EXCEPTED, CHARGES OR LIABILITY ASSOCIATED WITH DEFECTIVE PRODUCT FOR BREACH OF ABOVE-STATED WARRANTIES WILL BE BORNE BY SELLER. IF A DESIGN CHANGE IS MADE TO AN EXISTING APPROVED PRODUCT WITHOUT KNOWLEDGE AND CONSENT BY BUYER, SELLER WILL BE LIABLE FOR ANY INCREMENAL CHARGES INCURRED. SELLER PROVIDES WARRANTY OF MERCHANTABILITY, WHEREBY SELLER HAS OBLIGATION TO REPAIR OR REPLACE ANY UNFUNCTIONING PARTS OF THE GOODS RETURNED TO SELLER BY BUYER FOR APPROVAL(S). AS APPLICABLE WHERE PERFORMANCE SPECIFICATIONS HAVE BEEN THE BASIS FOR PRODUCT DEVELOPMENT, SELLER IS LIABLE FOR ANY AND ALL WARRANTY ISSUES REGARDING FITNESS FOR USE IN BUYER’S PRODUCT.

4.3. SELLER AGREES TO DEFEND, AT ITS OWN COST, ANY AND ALL CLAIMS, LIABILITIES, DEMANDS, ACTIONS, DAMAGES, GOVERNMENT INVESTIGATIONS, INJURIES, JUDGMENTS, FINES, COSTS AND EXPENSES, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS’ FEES AND EXPENSES, OF BUYER OR THIRD PARTIES CAUSED BY OR ARISING OUT OF: (A) SELLER’S NEGLIGENCE, GROSS NEGLIGENCE, OR INTENTIONAL MISCONDUCT, (B) SELLER’S BREACH OF ANY PROVISION IN THESE T&CS OR THE PURCHASE ORDER, OR BREACH OF THE SAME BY SELLER’S EMPLOYEES, AGENTS, SUBCONTRACTORS, OR REPRESENTATIVES, OR (C) ANY LOSS, DAMAGE, OR DESTRUCTION OF THE GOODS OR ITEMS FURNISHED BY SELLER TO BUYER IN CONNECTION HEREWITH OR WITH THE PURCHASE ORDER, AND (D) SELLER’S BUSINESS PRACTICES. THIS INDEMNIFICATION REMEDY IS A NON-EXCLUSIVE REMEDY FOR BUYER AND BUYER SHALL HAVE ALL OTHER REMEDIES AVAILABLE TO IT, INCLUDING, BUT NOT LIMITED TO, CONSIDERATION OF THE PURCHASE ORDER.

4.4. Seller agrees to secure and maintain adequate insurance coverage with reputable insurers for the protection of buyer in accordance with this Section 4. Seller will name buyer as an additional insured under its insurance policies for the services or goods provided under this Purchase Order.

5. Specifications. Seller hereby warrants that Seller will supply or manufacture the goods in accordance with the Purchase Order. Such goods shall: (a) pass all tests that may be required by Buyer, (b) be free from defects in material and/or workmanship, (c) merchantable and fit for the particular purpose for which such goods were intended; and the parties hereby agree that this warranty shall survive the delivery, inspection and acceptance of, and payment for, the goods. If goods rejected by Buyer shall be returned to Seller for full credit at the price charged, plus transportation charges. Buyer, at its discretion, may require Seller to replace rejected goods at the purchase price stipulated in the original Purchase Order. Buyer may, in its sole discretion, accept a part of any shipment that fulfills Buyer’s specifications, and reject any part that does not fulfill such specifications, and consider the order breached to the extent of the amount of the rejected goods. Seller will not make any changes in such specifications or make any changes in any components, processes or location used in manufacturing the goods previously agreed to by Buyer. Any different, additional or conflicting terms or conditions added to the Purchase Order shall be void.

6. Inspection and Acceptance. Payment for any goods under this contract shall not constitute acceptance. All goods purchased hereunder are subject to inspection at Buyer’s destination either before or after payment or before or after acceptance at Buyer’s option. Buyer reserves the right to reject and refuse acceptance of goods which are not in accordance with the instructions, specifications, quantities and/or delivery dates specified on the Purchase Order. Such goods will be returned to Seller at Seller’s expense. Invoices for rejected goods shall be billed at the lesser of (a) the price last quoted to Buyer by Seller and (b) Seller’s prevailing customary market price. Buyer will have the right to reject and returned to Seller’s expense, including transportation charges both ways. Provided, however, that such goods may be held at Buyer’s discretion for Seller’s instructions and stored at Seller’s risk. If within 48 hours after receipt of notice of rejection or revocation of acceptance, Seller gives no instructions for the disposition of the goods, Buyer may, at its discretion, return full credit at Seller’s expense. Seller shall not replace rejected goods or goods whose acceptance has been revoked unless specified by Buyer. Buyer shall not be liable for failure to accept any part of the goods if such failure is the result of any cause listed in the section below regarding Force Majeure.

7. Invoices. Seller’s invoices shall, at a minimum, include: (a) Buyer’s Purchase Order number, (b) any other identifying numbers of the goods, if applicable, (c) the price last quoted to Buyer by Seller and (d) the date of shipment; (e) (i) the total quantity of goods shipped, (f) the per unit price of the goods shipped, (g) the amount of taxes, if any; (h) the total invoice price; and (i) country of origin. Unless otherwise specified on the Purchase Order, payment terms are net 60 days from Buyer’s receipt of a valid Seller invoice.

8. Confidential Information. Seller acknowledges and agrees that any specifications and all related designs and similar works provided to Seller by Buyer shall be deemed “Confidential Information.” Seller further acknowledges and agrees that any other information which is disclosed by Buyer in any tangible form and is clearly labeled or marked as confidential, proprietary or equivalent, or information which is disclosed orally or visually, is designated confidential, proprietary or its equivalent at the time of its disclosure and is reduced to writing promptly after disclosure (evident or implied); and such information is not publicly available and can only be used in performance of this contract and for no other purpose, and that any violation of this Non-Disclosure Agreement shall be deemed “Confidential Information.” All Confidential Information shall be the exclusive property of Buyer, and Buyer retains all right, title and interest, including copyright, relating to Confidential Information. Seller agrees not to use any Confidential Information for any purpose other than as permitted or required for performance by Seller under this Purchase Order and not to disclose or provide any Confidential Information to any third party and to take all necessary measures to prevent any such disclosure by its employees, agents, contractors or consultants. Upon request of Buyer or completion of the Purchase Order, Seller shall return all such Confidential Information to Buyer and shall certify to Buyer that it has returned all such Confidential Information. The return of Confidential Information shall be confirmed by Buyer, and if Buyer does not confirm the return, Seller shall immediately refund to Buyer the amount paid for the Confidential Information. “Confidential Information” means all information about Buyer’s clients’ business affairs that is provided to Seller by Buyer or about which Seller learns while providing services that is not already known or readily available to the general public. Seller shall not engage in any unauthorized use or disclosure of Confidential Client Information and shall follow the same obligations and restrictions as for Buyer’s Confidential Information. All documents, data, drawings, software and other items supplied to Buyer by Seller shall be disclosed to Buyer on a nonproprietary basis and may be used and disclosed by Buyer without restriction, unless Buyer has executed a separate agreement restricting the use and disclosure of such information, data, software and the like.
Equipment and maintain an appropriate marking on the same and on the separate storage area to clearly and permanently identify Buyer as the owner. Such Equipment while in Seller’s custody or control, will be maintained in good working condition, reasonable wear and tear excepted, by Seller at Seller’s expense, held at Seller’s sole risk and will be kept insured by Seller at Seller’s expense in an amount equal to the replacement cost with loss payable to Buyer. Such Equipment will be delivered to Buyer under applicable forwarder’s certificate of insurance. Buyer shall immediately upon request by Buyer. Buyer shall also have the right to enter Seller’s facility without notice during Seller’s normal business hours and remove or repossession the Equipment without cost or expense to Buyer. Equipment shall not be disposed of without prior written approval by Buyer. No use of Buyer’s Equipment shall be permitted without prior written approval by Buyer. Seller shall not publish or display Buyer’s product manufactured by Buyer’s Equipment, without prior written approval by Buyer.

10. Termination.

10.1 Buyer may, by notice in writing to Seller, terminate the Purchase Order or work thereunder, in whole or in part, at any time and such termination shall not constitute default. In such event, Buyer will pay Seller contract price for finished goods covered by this agreement held in Seller’s inventory, provided such goods are returned accepted and accepted by Buyer. Buyer will reimburse Seller verifiable costs associated with components in manufacture of incomplete Buyer’s proprietary products covered by this agreement.

10.2 Buyer shall have the right to cancel for default all or any part of the Purchase Order upon the occurrence of any of the following events: (a) Seller does not make deliveries or furnish services according to the terms specified, (b) Seller repudiates the transaction, (c) Buyer rightfully revokes or revokes election, (d) Buyer breaches any of the terms hereof including warranties of Seller, (e) Seller makes an arrangement, extension or assignment for the benefit of creditors, (f) Seller dissolves otherwise ceases to exist or liquidates all or substantially all of its assets, (g) Seller becomes insolvent or generally does not pay its debts as they become due or (h) Seller is adjudicated as bankrupt or files a voluntary petition in bankruptcy. Buyer may, at its option, rescind the Purchase Order relationship in writing and be relieved of performance under the Purchase Order.

11. Patent Infringement Indemnity. Seller warrants the goods purchased hereunder do not infringe upon any patent, trademark, service mark, trade name, copyright or other similar third party intellectual property right and covenants and agrees to defend (at Buyer’s request) and hold harmless Buyer, its customers, agents and subsequent owners from any claim that any product or article sold by Seller hereunder (except goods specifically of Buyer’s design), infringes any letters, patent, copyright or trademark, or from any claim of unfair competition, by reason of its use or sale by Buyer, its customers or agents. Seller further agrees to indemnify (as and incurred, reimburse) Buyer against any and all expense, loss, royalties, profits and damages, including court costs, attorneys’ fees and reasonable value of time expended by Buyer’s employees (as determined by Buyer in its sole discretion), in connection with or resulting from such suit or proceeding including without limitation, any settlement or decree of judgment thereon. Seller’s obligations hereunder survive acceptance of goods and payment delivered by Buyer.

12. Arbitration. Except for any action where the sole relief sought is an injunction, any controversy or claim arising out of or relating to these T&Cs, or the making, performance or interpretation thereof, including without limitation alleged fraudulent inducement thereof, shall be settled by binding arbitration in the city of Buyer’s choosing in the state of Buyer’s business address as shown on the Purchase Order by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any arbitration award may be entered in any court having jurisdiction thereof.

13. Changes. Buyer reserves the right at any time to make written changes in any one or more of the following: (a) specifications, drawings and data incorporated in this contract where the items are to be furnished are to be specially manufactured for Buyer; (b) methods of shipment or packing; (c) place of delivery; (d) time of delivery; (e) manner of delivery; or (f) quantities.

14. Notices. Notices and communications under the Purchase Order shall be deemed given to either party at the address set forth on the Purchase Order (includes any electronic address, if so provided on the Purchase Order): (a) upon the expiration of 5 business days after the date of deposit in the U.S. mail by registered mail, return receipt requested; (b) upon the next business day if sent by recognized overnight mail service (or U.S. mail if prior written notice is noticed delivered personally; or (c) upon electronic confirmation of transmission if sent by facsimile or electronic mail.

15. Assignment. Seller may not assign, transfer or subcontract the Purchase Order or any interest herein or any rights or duties hereunder without the prior written consent of Buyer.

16. Force Majeure. Neither Party shall be liable hereunder for any failure or delay in the performance of its obligations hereunder where such condition is beyond its reasonable control, including civil commotion, war, fires, floods, accidents, earthquakes, inclement weather, telecommunications line failures, electrical outages, network failures, governmental regulations or controls, casualty, terrorism, acts of God, or other similar occurrences beyond the reasonable control of the Party (each “Force Majeure Event”), for so long as the Force Majeure Event continues for more than thirty (30) days, Buyer may terminate this Purchase Order without liability. Each Party shall provide the other Party with prompt written notice of the occurrence of Force Majeure Event and in any event within five (3) business days of its occurrence. For the avoidance of doubt, a Force Majeure Event does not include (i) acts or omissions of Seller or any of its subcontractors or suppliers (including, but not limited to, price increases or the inability of Seller to obtain necessary manufacturing inputs from its normal or customary sources); (ii) labor disputes of Seller, its subcontractors or its suppliers, including lockouts, strikes or slowdowns; or (iii) failure to comply with applicable law.

17. Governing Law. The Purchase Order shall be interpreted and construed in accordance with the laws of the State of Buyer’s business address as shown on the Purchase Order.

18. Affiliates. Any right, cause of action claim for relief or remedy granted to Buyer herein shall extend without exception to any entity that controls, is controlled by, or is under common control with Buyer.

19. Entire Agreement. These T&Cs attached hereto, including the Supplier Quality Manual, all attachments hereto and thereto and specifications set forth herein and therein, constitute the complete and final agreement between the parties and supersede all prior negotiations and agreements between the parties concerning the subject matter hereof and thereof.


21. Compliance with Applicable Law and the IIM Code of Conduct. Seller will, and will ensure that each of its affiliates will, comply with all laws, rules, regulations, and orders of any jurisdiction that are applicable to it, its business activities and products including without limitation those related to anti-bribery, anti-money laundering, safety and environmental, export controls and trade sanctions, tax evasion, the facilitation of tax evasion, and human trafficking and modern slavery. Buyer will not delay provide such information, documents, and access for audit and investigation as may be reasonably requested by Buyer to review Seller’s compliance with laws. Seller acknowledges that Buyer has a code of responsible business (the “IIM Code of Conduct”), which is available at www.imiplc.com. Seller shall, at all times, strictly adhere to the IIM Code of Conduct and all standards contained therein and in accordance with the provisions of the IIM Code of Conduct. This Section 21 shall apply whether or not Seller is acting pursuant to a Purchase Order or otherwise in its relationship with Buyer. Seller agrees that it must be able to demonstrate its compliance with the requirements referred to in this Section 21 at the request of and to the satisfaction of Buyer which includes, without limitation, a link to, Buyer having the right to inspect any site involved in work for Buyer. If Seller fails to comply with this Section 21, Seller shall be entitled, in its sole discretion, to terminate the Purchase Order or other agreements between Seller and Buyer without penalty to Buyer, but with obligations for Seller to remedy any damages suffered by Buyer as a result of such termination or as a result of the breach of the Purchase Order by Seller.

22. Country of Origin. Seller will label all goods sold hereunder, including all the good’s components and containers, with the country of origin, and will indicate the country of origin on all invoices for the goods. Upon Buyer’s request, Seller will promptly provide certification to evidence the origin of such goods.

23. Independent Contractors. The relationship of Buyer and Seller under these T&Cs and those set forth in the attached Purchase Order is one of independent contractors. Nothing in the Purchase Order or these T&Cs shall be interpreted as authorizing either party to bind the other, to incur any liability on behalf of the other, or to act as an agent for the other.

24. Survival. All provisions herein or in the attached Purchase Order regarding warranty, indemnification, confidentiality, liability and limits thereon, or other provisions that survive by their terms, will survive any termination or expiration of the attached Purchase Order.

25. Severability. In the event that any provision of these T&Cs is held to be illegal, invalid or unenforceable under any present or future law, rule or regulation, such provision shall be deemed stricken from these T&Cs, but the remaining provisions shall not be affected and shall remain valid and enforceable. In the event that any of the other provisions of these T&Cs and the remainder of these T&Cs shall continue in full force and effect. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of these T&Cs a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

26. RoHS & ELVs. Seller agrees to notify Buyer, before manufacture or delivery of goods, of the presence of hazardous substances as defined by the following Directives in goods or processes used to manufacture goods. If the presence of hazardous substances exceeds those allowable under these directives then Buyer has the right to require Seller to substitute materials in such a way as to comply with the directives. The directives are: Directive 2015/863/EU Restriction of the use of certain hazardous substances in electrical and electronic equipment (ROHS); Directive 2000/53/EC End of life vehicles; 2012/19/EU (WEEE); and current revision of REACH Regulation EC No 1907/2006 (http://echa.europa.eu/regulations/reach/candidate-list-substances-in-artciles).

27. Conflict Minerals. Seller shall cooperate fully with Buyer in investigating the source of any tantalum, tin, tungsten or gold in the goods supplied by Seller to Buyer, including the completion of the standard EoCC template available at http://www.conflictfreesourcing.org/conflict-minerals-reporting-template/ and any other documentation required by Buyer.

28. EEQ. The parties hereby incorporate the requirements of 41 C.F.R. § 60-1.4(a), 60-250.5, and 29 C.F.R. § 471, Appendix A to Subpart A, if applicable. This contractor and subcontractor shall abide by the requirements of 41 C.F.R. § 60-300.5(a) and 41 C.F.R. § 60-741.5(a), if applicable. These regulations prohibit discrimination against qualified protected veterans and qualified individuals with disabilities, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities.