

Please Sign and Fax Back to (661) 295-6975

TERMS AND CONDITIONS OF PURCHASE - LAMSCO WEST, INC.

- 1. PRICE AND SPECIFICATIONS:** The prices quoted are for completed work. No extras or changes from Purchaser's specifications will be allowed except as they may be specifically referred to in this order or as they may be covered by subsequent agreements in writing. All invoices are to be exactly in accordance with this order as to discounts, quantity, price, etc. Purchaser shall not be liable for any packing, crating or shipping charges unless this order specifically so provides.
- 2. RISK OF LOSS:** Risk of loss or damage shall remain on Seller until the goods reach Purchaser's place of business.
- 3. DELAY:** Purchaser reserves the right to cancel all or any part of this order in case of delay. If shipment is delayed in transit beyond the discount period, Purchaser does not waive its right to cash discount.
- 4. WARRANTIES AND REJECTION:** Seller warrants that at time of delivery all goods ordered to be of good quality, free from defect in materials and workmanship and in conformity with the quantity and description set forth and suitable for the purposes expressed herein. Such warranty is waived neither by approval of a sample nor by acceptance of the goods nor by payment therefore. All goods will be received subject to Purchaser's approval. Purchaser may reject any goods which are defective or unacceptable for any other reason even though payment has already been made. Goods which are defective or unacceptable by Purchaser or which are received after Purchaser has canceled the order shall be held at Seller's risk and returned to seller at its risk and expense for full refund at the invoice price.
- 5. ASSIGNMENT AND SUBCONTRACTING:** Seller shall not subcontract any work hereunder or assign this order or any moneys due or to become due hereunder without the prior written consent of the Purchaser. Any assignment or attempted assignment contrary to this provision shall be void as to Purchaser. In any event, assigned accounts shall be subject to setoff or recouping of claims of Purchaser against Seller.
- 6. TERMINATION AND DEFAULT:** Purchaser may, by notice in writing, direct Seller to terminate this order or work under this order in whole or in part at any time and such termination shall not constitute a default. In such event, unless Seller shall have defaulted hereunder, the rights and obligations of Seller and Purchaser shall be as set forth in the Uniform Termination Clause for Subcontracts in paragraph 8-706 of the Armed Services Procurement Regulations, as amended to the date of this order, which clause is hereby incorporated by reference if seller shall have defaulted, purchaser shall also have such other rights and remedies accorded it at law or in equity. This insolvency or adjudication of bankruptcy of, or the filing of a voluntary petition in bankruptcy by, or the making of an assignment for the benefit of creditors by, either party, shall be a default hereunder. In no event shall Seller be entitled to anticipatory profits, or to incidental or consequential damages. In the event of Seller's default or potential inability to perform this order, Seller agrees upon demand to deliver to Purchaser the raw materials, special tools, special gauges, and work in process required in order to perform this order, and Purchaser may then complete the work or have the work completed, deducting the total cost of such completion from the price, or in the alternative it may pay to Seller the cost of such raw materials and work in process.
- 7. COMPLIANCE WITH LAWS:** Seller certifies that (a) all goods purchased hereunder have been or shall be manufactured or produced in compliance with the Federal Fair Labor Standards Act as amended, and with all other applicable Federal, state and other laws and regulations; (b) Seller certifies that the machinery and equipment covered by this Purchase Order comply with the Occupational Safety and Health Act of 1970 as amended and regulations issued hereunder; and (c) Seller complies with the Equal Employment Opportunity Requirements of executive order no. 11246, as amended. At the request of the Purchaser, Seller will furnish any or all certifications of compliance applicable to this order.
- 8. PATENTS AND PROPRIETARY DATA:** Seller will defend Purchaser and hold it harmless from any and all claims, suits or other costs and expenses relating to alleged infringement of any patent, trademark or other similar right, by reason of the purchase, use or sale of goods purchased hereunder. All drawings, methods, processes, information material, parts, or assemblies, furnished by the Purchaser as part of or in connection with an order supplied by the Purchaser, are to be considered buyer's confidential and propriety data and may not be used for any purpose except that for which loaned or supplied unless written permission is granted by the Purchaser.
- 9. TERMS, MODIFICATION AND WAIVER:** These items and conditions constitute the final, complete and exclusive statement of the agreement between Seller and Purchaser. No modification of or addition to these terms and conditions shall bind Purchaser unless approved in writing by an authorized officer of Purchaser. Purchaser hereby notifies Seller of its objection to any terms and conditions stated by Seller, whether or not material, which are additional to or otherwise different from those contained herein. Any acceptance contained herein or which may be implied from Seller's conduct, is expressly made conditional upon Seller's assent to the terms and conditions contained herein. No failure or delay of Purchaser to exercise any right hereunder shall operate as a waiver of such right or of another right. Purchaser will not in any manner be responsible for goods delivered or work performed on its account without an approved written purchase order from it covering the same.
- 10. GOVERNING LAW:** The validity, construction and interpretation of all documents relating to this sale, and the rights and duties of the parties thereto shall be governed by the State of California (U. S. A.)
- 11. RIGHT OF ENTRY:** The Seller agrees that LamSCO West, its customers and regulatory agencies may visit the Seller's facility where the work under the LamSCO West order is to be performed, in whole or in part thereof, to review progress, discuss problems or rejections, and/or verify the quality of work, records and material pertaining to the requirements of the order. If LamSCO West, its customers and regulatory agencies perform any inspection or test on the Seller's premises, Seller shall furnish, without additional charge, all reasonable facilities and assistance for the safe and convenient performance of these tasks.

I, _____, acting as agent for (company) _____,
agree to abide by the aforementioned terms and conditions.

Signature

Title

Date