

PURCHASE ORDER GENERAL PROVISIONS

1. ACCEPTANCE OF TERMS

This purchase order ("Purchase Order") is an offer by Buyer for the purchase of the goods and services specified on the face of this Purchase Order ("Goods") from Seller. Seller's acknowledgement of acceptance of this Purchase Order, issuance of an invoice to Seller for the Goods, commencement of work on the Goods or shipment of the Goods, whichever occurs first, shall be deemed an acceptance of this Purchase Order. Any acceptance of this Purchase Order is limited to the acceptance of the express, printed terms contained on the front and back of this Purchase Order. Any proposal for additional or different terms or any attempt by Seller to vary in any degree the terms of this Purchase Order in Seller's acceptance is hereby objected to and rejected and this Purchase Order shall be deemed accepted by Seller without said additional or different terms or variance. This Purchase Order becomes a binding contract on the terms and conditions set forth herein when it is accepted by Seller.

2. WARRANTIES

Without limiting the warranties provided in this Purchase Order, Seller's standard warranties with respect to the Goods are hereby incorporated by this reference and made a part hereof only to the extent they do not conflict with the provisions of this Purchase Order. In addition, Seller warrants to Buyer and its customers that all Goods will (a) be free from any defects in workmanship, material and design; (b) conform to applicable written specifications, drawings, designs, samples and other requirements specified by Buyer, which are incorporated by this reference and made a part hereof; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent, trademark, service mark or copyright or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Goods by Buyer. These warranties are cumulative and in addition to any other warranty provided by law or equity. In addition to other remedies which may be available at law or equity Buyer may, at its option, return any nonconforming or defective Goods to Seller or require correction or replacement of nonconforming or defective Goods by Seller at the time the defect is discovered, in each case at Seller's risk and expense. If Buyer does not require correction or replacement of nonconforming or defective Goods, Seller shall repay such portion of the contract price or such additional amount as is equitable under the circumstances. Acceptance of items by Buyer or payment thereof shall not relieve Seller of its responsibilities hereunder. No disclaimer or limitation of any express or implied warranties in this Purchase Order or any materials incorporated herein by reference shall be effective or enforceable.

3. CHANGES

Buyer may, by written order in whole or in part and from time to time makes changes in quantities, drawings, designs, specifications, place of delivery, schedules, and method of shipment and packaging furnished by Buyer. If any such changes cause increase or decrease in the price of this Purchase Order or in the time required for its performance, Seller shall promptly notify Buyer thereof and assert its claim for adjustment within thirty (30) days after the change is ordered and thereafter an equitable adjustment in price or delivery or both shall be effected by the parties hereto. However, nothing in this clause shall excuse Seller from proceeding with this Purchase Order as changed whether made pursuant to this clause or by mutual agreement. Changes shall not be binding upon Buyer unless and except when confirmed in writing by a member of Buyer's purchasing department/office.

4. PROPRIETARY INFORMATION/CONFIDENTIALITY/ADVERTISING

Seller shall consider all information furnished by Buyer to be proprietary and confidential and shall not disclose any such information to any person or use such information itself for any purpose other than performing this Purchase Order unless Seller obtains prior written permission from Buyer to do so. Upon completion or termination of this Purchase Order, Seller shall return all such information to Buyer. Seller shall not advertise or publish the fact that Buyer has contracted to purchase goods from Seller, nor shall any information relating to the Purchase Order be disclosed without Buyer's written permission. Unless otherwise agreed in writing, no commercial financial or technical information disclosed in any manner at any time by Seller to Buyer shall be deemed confidential, and Seller shall have no rights against Buyer with respect thereto.

5. INFRINGEMENT INDEMNITY

In lieu of any other warranty by Seller against infringement, statutory or otherwise, Seller, at its sole expense, shall indemnify, defend and hold harmless Buyer, Buyer's parent company, their subsidiaries, affiliates, successors or assigns and their respective directors, officers, shareholders and employees and Buyer's customers ("Buyer Indemnitees") from and against any loss, claim, damages, liability, expense (including reasonable attorney fees) and cause of action, whatsoever, based upon a claim that any of the Goods or the normal use or sale thereof infringes any patent, trademark, service mark, copyright or any intellectual property right of any third party. In the event that the sale or use of the Goods is enjoined as a result of any such claim, Seller shall, at its own expense, obtain for Buyer and its customers the right to use and sell such Goods, or shall substitute therefor an item of equivalent design, make and function acceptable to Buyer which substituted item shall also be subject to the infringement indemnity herein stated.

6. INDEMNIFICATION FOR SELLER'S ACT

Seller shall take all necessary precautions to prevent the occurrence of any injury (including death) to any person or any damage to any property arising out of any acts or omissions of Seller's agents, employees or sub-contractors and, except to the extent that any such injury or damage is due solely and directly to Buyer's negligence, shall indemnify, defend and hold harmless Buyer Indemnitees against any loss, claim, damages, death, injury, liability, cost, expense (including reasonable attorney fees) and cause of action, whatsoever, arising out of or occurring in connection with the Goods or any negligence, willful misconduct or breach of this Purchase Order by or on behalf of Seller. Seller shall maintain such general liability, property damage, employee's liability, worker's compensation and product liability insurance as will protect Buyer from any of said risk and from any claims under any applicable worker's compensation and occupational disease acts. Buyer shall be added as an additional insured to Seller's general liability policies. All policies shall include a waiver of subrogation when permissible by law. Seller shall provide Buyer with a certificate of insurance from Seller's insurer evidencing the insurance coverage required in this Purchase Order.

7. SPECIAL TOOLING AND OTHER MATERIALS

If Buyer furnishes Sellers material or equipment, including without limitation dies, molds, jigs, tools, fixtures and test equipment, or pays for such materials or equipment, title thereto shall remain or vest solely in Buyer. Seller shall identify, maintain and preserve such material and equipment and, upon completion of this Purchase Order,

dispose of said materials and equipment or return them to Buyer in accordance with Buyer's direction.

1. INSPECTION / TESTING

Payment for Goods delivered shall not constitute acceptance thereof. Buyer shall have the right upon or after delivery to inspect the Goods and to reject any or all Goods which are, in Buyer's judgment, defective or nonconforming. Goods rejected may, at Buyer's option, be returned to Seller for reimbursement, credit, replacement or correction at Seller's expense and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repackaging and reshipping such Goods. In the event Buyer receives Goods whose defects or nonconformity is not apparent on examination Buyer reserves the right to require reimbursement, credit, replacement or correction for such Goods, as well as payment of damages and expenses of unpacking, examining, repackaging and reshipping such Goods, upon discovery of the defect or nonconformity. Nothing contained in this Purchase Order shall relieve Seller of its obligations to test and inspect all Goods furnished hereunder.

Seller bears the risk of loss until Buyer accepts goods.

2. ASSIGNMENT

Seller shall not assign this Purchase Order as a whole or in part, nor subcontract all or any part of the performance herein required, without prior written consent of Buyer.

3. DEFAULT

In the event that (a) Seller fails to make delivery by the date specified on the front page of this Purchase Order, or any written extension thereof, (b) Buyer rejects any Goods pursuant to Section 8 or (c) Seller fails to comply with any provision of this Purchase Order, then Buyer may by written notice to Seller, terminate this Order for default. Upon termination for default as above provided, Buyer may procure Goods similar to those provided for hereunder and any excess costs incurred by Buyer shall be the liability of Seller. The rights and remedies of Buyer provided in these provisions shall be in addition and not in limitation of rights and remedies provided by law or under this contract.

4. INSOLVENCY

If Seller ceases to conduct its operations in the normal course of business (including inability to meet its obligations as they mature) or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller or receiver for Seller is appointed or applied for, or any assignment for the benefit of creditors is named by Seller, Buyer may terminate the Order without liability except for deliveries previously made or for goods covered by the Order then completed and subsequently delivered in accordance with the terms of the Order.

5. PRICES

Except as otherwise provided in the Purchase Order price includes all applicable federal, state and local taxes and duties, and this Order is not to be filled at a higher price than set forth on the front of this Purchase Order unless Buyer agrees in writing to accept delivery at such higher prices. Payment terms shall be as specified on the front page of this Purchase Order. Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller.

6. FORCE MAJEURE

In the event this Order is contingent upon any act or acts to be performed by Buyer and Buyer is prevented or delayed from performing such act or acts by reason of any cause or causes beyond the reasonable control of Buyer, as the cause may be and which cannot be overcome by due diligence, Buyer shall be excused from such performance to the extent that it is necessarily prevented, hindered or delayed thereby during the continuance of any such happening or event, and this Purchase Order shall be deemed suspended without cost to Buyer to the extent that any such cause prevents or delays such performance.

7. INTERPRETATION.

This Purchase Order together with all materials incorporated by reference shall constitute the entire agreement of the parties with respect to the Goods. If there is any inconsistency or conflict between any provision of this Purchase Order and any material incorporated by reference, this Purchase Order shall govern and control and shall be deemed to supersede and extinguish any such inconsistent or conflicting provision in the other material. Except as expressly provided otherwise herein, no amendment or change to this Purchase Order shall be binding upon Buyer unless it is in writing, signed by Buyer and specifically states that it amends this Purchase Order. Notwithstanding anything herein to the contrary, if a separate written agreement is in effect between the parties that covers the specific subject matter of this Purchase Order ("Prior Agreement"), the Prior Agreement shall remain in full force and effect and shall not be modified or amended in any way by this Purchase Order. If there is any inconsistency or conflict between any provision of this Purchase Order and any provision of the Prior Agreement, the Prior Agreement shall govern and control and shall be deemed to supersede and extinguish any such inconsistent or conflicting provision of this Purchase Order. If any provision of this Purchase Order is held to be invalid, void, or unenforceable, the remainder of the provisions herein shall remain in full force and effect and shall in no way be affected, impaired, or invalidated. The headings contained herein shall not affect the interpretation of this Purchase Order.

8. STATE LAWS

This Purchase Order shall be construed, interpreted, and applied in accordance with the laws of the Commonwealth of Kentucky, without regard to its conflicts of law rules or principals.

9. SHIPPING INSTRUCTIONS

a) Seller shall make the fully insured shipment of the Goods as instructed any by the date specified on the front page of this Purchase Order. Unless otherwise agreed in writing by Buyer, the Goods shall be shipped F.O.B. destination. In the absence of specific routing instructions, shipments are to be made "Best Way".

b) All Shipments must contain a packing list giving descriptions of materials, quantity, and Purchase Order number. If shipment is not made F.O.B destination, the original bill of lading must be furnished with invoices. Buyer's count shall be accepted as final on all shipments not accompanied by packing slips.

c) Seller will advise Buyer the date of each shipment, the Purchase Order number, quantity per item number, and method of shipping.

d) Information required by the Purchase Order pertaining to material, treatment, certification, inspection, and etcetera is to be mailed on day of shipment or no later than first production day following date of shipment.

e) All material is to be packaged, according to good commercial practice to insure safe arrival, acceptable to common carrier in LCL to LTL lots unless otherwise instructed.