



CUSTOM INJECTION MOLDING

Purchase Order Terms & Conditions

SD.7.4.1.01

REV: 01

CREATED BY:

D, Jandron

APPROVED BY:

T. Wygant

30 September 2011

The Buyer is referred to in this document as “we”, “our” or “us”;
The Seller is referred to as “you” or “your”

1. **ACCEPTANCE OF OFFER.** Pliant Plastics Purchase Orders are an offer to purchase the goods and services described. Placement of an order is expressly conditioned upon supplier acceptance of all terms and conditions stated therein. The purchase order is accepted when you either (i) sign and return the attached acknowledgement; (ii) ship any goods covered by this Order; or (iii) begin performing any service covered by this Order. We expressly object to any additional or different terms or conditions, which may appear in any communication from you. Any such additional or different terms or conditions shall not be effective or binding unless specifically agreed to in writing by Pliant Plastics Purchasing. No such additional or different terms or conditions in any printed form of yours shall become part of this Order, despite our acceptance of goods or services, unless we specifically agree to in writing thereto.
2. **CHANGES TO ORDER.** We reserve the right to make changes to a purchase order at any time prior to shipment. If such changes cause an increase or decrease in the pieces or in the time required for performance, the supplier shall promptly notify us thereof and an equitable adjustment shall be made. These changes shall be made only by a purchase order change notice signed by Pliant Plastics Purchasing.
3. **SHIPPING & DELIVERY.** Unless otherwise instructed, the goods shipped to us are to be sent freight prepaid, F.O.B. destination. It is your responsibility to meet agreed upon delivery dates. If delivery cannot meet committed to dates, we may in addition to other rights and remedies, direct you to expedite shipment of the order at your expense. Unless otherwise specified, the goods shall be shipped in a manner that permits the lowest transportation rates to apply and adequately protects the quality of goods. We reserve the right to cancel all or any part of this Order if any shipment is not made within the specified time. Do not ship ahead of schedule without our specific written authorization. We reserve the right to return excess or substitute shipments at your expense and risk.
4. **PACKING AND HANDLING.** Inherent in the acceptance of the purchase order is the responsibility to properly pack, mark, and load goods to prevent damage. You are responsible for all damage to the goods incurred due to improper packaging, marking, or loading. We will not accept any charge for containers, packing, crating, boxing, bundling, storage and the like unless such charges are approved by us in advance in writing. Do not insure any shipments for our account unless we specifically approve.
5. **TITLE/RISK OF LOSS.** You retain title to the goods shipped and shall bear the risk of loss thereon until the goods are delivered and accepted by us. You warrant that, at the time of delivery of the goods under this Order, you have good title to the goods and the right to transfer them to us free and clear of any security interest, lien or encumbrance.
6. **PAYMENT TERMS.** We will not pay prices higher than those last charged or quoted by you for the same material without prior notification, and acceptance of the higher prices. You agree to mail invoices promptly after shipment is made. The invoice should contain the price terms of the sale. The price set forth on the invoice must include all applicable federal, state and local taxes, if any. Payment will be net 45 days from receipt unless otherwise agreed to in writing.
7. **QUALITY/INSPECTION.** All materials or goods supplied or work performed hereunder shall be of good quality, conform to all applicable drawings, math data specifications, and samples furnished to or supplied by the seller, free from all defects and shall at all times be subject to our inspection. However, neither our inspection nor failure to inspect shall relieve you of any obligation hereunder. Seller shall be responsible for all costs resulting from the receipt of the defective goods, including but not limited to containment, sorting, rework, scrap, returns to Seller, returns and fines from Buyer's Customer, value-added to the parts by Buyer, down time and transportation. Such goods are not to be replaced unless we specifically request with written instructions. If we do instruct you to correct the defects and replace the goods, such correction and replacement shall be at your expense and shall be done promptly after receipt of our notice thereof.
8. **WARRANTIES.** You warrant to us and to any third party ultimately using the goods provided hereunder that the goods provided and services or work performed conform to our specifications and the goods are merchantable and fit for the particular purposes for which they intended.
9. **PATENT/TRADEMARK INFRINGEMENT.** You warrant and guarantee that the sale or use of any or all materials delivered hereunder will not infringe upon any United States or foreign patent, trademark, copyright, franchise or other intellectual property right.
10. **COMPLIANCE WITH LAWS.** You warrant that you have violated no law, regulation, ordinance or judicial or administrative order of the United States, or any state or local governmental agency, in the manufacture, procurement, sale or delivery of the goods being supplied to us hereunder.
11. **INDEMNIFICATIONS.** You agree that they will defend, indemnify and hold harmless us or any customer of ours from any action, liability, claim, suit or damages, including reasonable attorneys' fees, that we incur as a result of or arising out of (i) any breach of any term or condition of this Order including any intellectual property right set forth in paragraph 9 hereof; or (ii) any death or injury to any person, damage to any property or any other damages suffered by anyone or anything resulting from any defect in the goods or services provided hereunder or from any violation of any applicable law, regulation or judicial or administrative order. Such indemnification shall remain in



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effect after this Order is terminated with respect to your acts or omissions occurring prior to such termination.

12. CANCELLATION. We have the right to cancel all or any part of this Order without penalty if (i) you fail to make delivery of the goods or perform the services as herein required or within the time specified; (ii) in our good faith judgment, you fail to perform any of your obligations hereunder and you do not correct such failure within ten (10) days after we notify you of such failure; (iii) you breach any of the terms or conditions hereof; or (iv) you become insolvent or make an assignment for the benefit of creditors, or any proceedings in bankruptcy, reorganization, or insolvency is instituted against you.

13. TERMINATION. We have the right to terminate all or any part of this Order, without cause, by delivering to you a written notice of termination specifying the goods or services terminated and the effective date thereof. Upon receipt of such notice, you agree to cease work and deliver all completed and partially completed goods or materials and work-in-process, and we will pay you the following, (which in no event shall exceed the total price provided for herein): (i) the price provided in this Order for all goods which have been completed prior to termination and which are accepted by us, and (ii) to the extent commercially reasonable, the actual expenditures on the uncompleted portion of the Order paid by you on account of commitments made under this Order. Notwithstanding the foregoing, we will not pay for finished goods, work-in-process or raw materials fabricated or procured by you in amounts in excess of those authorized in delivery releases nor for undelivered goods which are in your standard stock or which are readily marketable. In no event shall we be liable for anticipated profits, engineering costs, the cost of facilities or equipment including rearrangement costs or rentals, incidental or consequential damages, nor for damages you incur because of your negligence.

14. Insurance. Seller shall furnish an insurance carrier's certificate showing that Seller has adequate insurance coverage in the following minimum amounts: workmen's compensation - statutory limits for jurisdictions in which work is to be performed; employer's liability - \$1,000,000; general liability - \$10,000,000 single limit; automobile liability - bodily injury \$5,000,000 per person and \$10,000,000 per occurrence; and property damage \$5,000,000. Seller shall maintain general liability and completed operations insurance in the amount of at least \$10,000,000 and waives subrogation against Buyer. All policies shall be issued by an insurer licensed to do business in the national, state/provincial, and local jurisdiction where Buyer shall use and sell the Goods. Liability coverage shall include products, completed operations and (if available) recall. Buyer shall be named as an additional insured under the policies.

15. MISCELLANEOUS.

- (i) You agree not to assign or subcontract any of your rights or obligations under this obligation hereunder to any other party without our prior written consent.
- (ii) The information we provide to you hereunder that is not already in the public domain is confidential and may not be disclosed to any other party.
- (iii) Except as otherwise specifically provided hereunder, the Uniform Commercial Code as adopted in the State of Michigan shall govern the construction of the terms and conditions of this Order.