

SHIPPING AND BILLING INSTRUCTIONS

- A. All materials shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure lowest transportation cost, and no additional charge shall be made to The Heil Co. therefore unless previously agreed upon.
- B. No charge shall be made by Vendor for cartage or packing.
- C. Our complete order number must appear on all invoices, shipping notices, packing slips and containers.
- D. Invoicing must be rendered in the same month but not before shipment is made to us.
- E.. Bill of lading or other shipping materials must be mailed to us the same day that shipment is made.
- F. Western Weighing Association weights shall govern.

TERMS AND CONDITIONS OF PURCHASE

- 1. This order must not be filled at higher prices than last quoted or charged without notice at time of acknowledgement nor at prices higher than those charged other purchasers of the same class.
- 2. This order or any money due under it shall not be assigned without our prior written consent.
- 3. Heil reserves the right to terminate its obligations under this order or any part hereof if any delivery is not made within the time provided, or, if no time is specified, within a reasonable time, or if material that is delivered is not as specified. Such right shall be in addition to Heil's other legal rights, whether set forth in this order or not. Vendor will deliver to Buyer any of the material for which Heil shall make written request at or after termination and Heil will pay Vendor fair value of any of such material so as requested and delivered.
- 4. Vendor guarantees that the sale or use of the articles covered hereby will not infringe any United States Patent, and covenants that it will, at its own expense defend every suit which shall be brought against The Heil Co. and/or hold The Heil Co. harmless with respect thereto and those selling or using any product of The Heil Co., for an alleged or actual infringement of any patent by reason of the sale or use of such article or articles, and agrees that it will pay all, including but not limited to, settlements, awards, judgments, costs, damages and profits recoverable in any such suit.
- 5. Articles furnished hereunder shall comply with industry standard specifications therefor unless others are stated on the face of the order and upon request. Vendor shall furnish a certified report of details of material and workmanship in the articles. We may at any time make changes in drawings and specifications as to any material and/or covered by this order. Any difference in contract price resulting from such changes shall be equitable adjusted and this order be modified in writing accordingly.
- 6. Vendor warrants the goods and services covered by this order to be free from defects in material, workmanship and design, and to be in accordance with Heil's specifications, drawings and/or samples in all respect, and agrees to promptly defend and/or indemnify and/or hold The Heil Co. harmless against any losses or claims for losses which The Heil Co. may sustain or be subjected to by reason of defective or allegedly defective material, workmanship or design of goods supplied against this order. VENDOR FURTHER AGREES THAT THE WARRANTIES CONTAINED IN THE UCC, INCLUDING WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, SHALL BE APPLICABLE TO THE GOODS SUPPLIED HEREUNDER. All materials and workmanship shall be subject to our inspection and test at all times and places, and when practicable, during the manufacture, and if any such inspection or test is made on the premises of the vendor, the vendor will furnish without additional charge all the reasonable facilities and assistance for safe and convenient inspection or test. Articles shall not be deemed to have been finally accepted (notwithstanding payment therefore or inspection or test thereof shall have been made) until they shall have been finally accepted from us by our customers or the users of our product.
- 7. The vendor's manufacturing plant or such part of any manufacturing plant as may be engaged in manufacturing or furnishing the articles, together with cost records or orders placed on time and material basis, shall at all times be subject to inspection by our representative.
- 8. All tools, dies, patterns, drawings, or other equipment furnished by us shall continue to be Heil's property and subject to our disposition at any time; shall be held by vendor at its risk and (except for patterns which are covered by our insurance) replaced by vendor if lost or destroyed and shall be used exclusively in the preparation of articles ordered by us.
- 9. The vendor shall not, without first obtaining our written consent, in any manner advertise, publish, communicate or otherwise divulge the fact that the vendor has contracted to furnish the articles to us. The vendor shall be responsible in matters within its control for the safeguarding of all secret, confidential or restricted matters that may be disclosed or developed in connection with the work under this contract.
- 10. By acceptance of this order vendor represents that in the production of the goods and performance of the services covered hereby it has complied with the requirements of all the applicable laws and regulations.
- 11. The vendor at its own expense shall furnish any parts price lists, maintenance and repair instructions, vandykes and sectional drawings required by us.
- 12. The vendor shall not be responsible for delays or defaults in deliveries, nor we for failure to receive, if occasioned by wars, fires, and act of God or the public enemy, labor or transportation difficulties or other causes beyond their control.
- 13. In the event of any proceedings by or against either party, voluntary or involuntary, in bankruptcy or insolvency, or for the appointment of a receiver or trustee or an assignee for the benefit of creditors of the property of either party, or in the event of the breach of any of the terms hereof, including the warranties of the vendor, the other party may cancel this contract forthwith.
- 14. The order shall be construed according to the laws of the State of Tennessee. The remedies herein reserved shall be cumulative and additional to any other remedies provided by law. The invalidity in whole or in part of any condition of this Purchase Order shall not affect the validity of the other conditions. Our failure at any time to exercise any right we may have under this order shall not constitute a waiver thereof nor prejudice our right to enforce same thereafter.
- 15. This order, including the above terms and conditions, contains the complete and final agreement between the parties hereto and no other agreement in any way modifying any of the said terms and conditions will be binding upon us unless in writing and agreed to by an authorized representative of this company. Each shipment received by The Heil Co. shall be deemed to be only upon the terms and conditions contained in this Purchase Order except as provided above and notwithstanding any terms and conditions that may be contained in any acknowledgement, invoice or other form of Vendor and notwithstanding The Heil Co.'s act of accepting or paying for any shipment or similar act of Heil. In the event of any conflict between terms typewritten on the face of this Purchase Order and those printed on this reverse side, typewritten terms on the face shall control.
- 16. The vendor shall indemnify and defend The Heil Co. against all loss and damage sustained by Heil on account of claims of injury to persons (including death) or damage to property which may result in any way from any act of omission of vendor, or of its agents, employees, or subcontractor. Vendor shall also maintain such Public Liability, Property Damage, Employer's Liability and Compensation insurance and Motor Vehicle Liability (Personal Injury and Property Damage) a will protect Vendor (or its subcontractors) and The Heil Co. from said risks and from any claims under any applicable workers Compensation or Occupational Disease statutes or Product Liability laws.

FEDERAL EXCISE TAX EXEMPTION CERTIFICATE – (Purchases of Articles for further manufacturer under Section 4221(1) of the Internal Revenue Code and for use in the manufacture of Non-taxable Articles). THE HEIL CO. hereby certifies that it is a manufacturer or producer of articles taxable under Chapter 32; Subchapter A; of the Internal Revenue Code; and holds Certificate of Registry No. 2008-000037-Q issued by the District Director of Internal Revenue at Columbia, South Carolina, and that the article or articles specified in this order will be used by its as material in (1) manufacture or production of, or as a component part of, an article or articles enumerated by such Subchapter A to be manufactured or produced by it; or (2) the manufacture or production of, or for use as a component part of, other articles which are not subject tax under the provisions of such Subchapter of the Internal Revenue Code.

It is understood that for all the purposes of such Subchapter A the purchaser will be considered the manufacturer or producer of the articles purchases hereunder; and with respect to items in category (1), above, except as specifically provided by law, must pay tax on resale or use, otherwise than as specified above, of such articles purchased hereunder. It is further understood that the fraudulent use of this certificate to secure exemption will subject the purchaser and all guilty parties to the penalties provided by law.

CONDITIONS OF PAYMENT: Payment of goods or services covered by this purchase order will be made in accordance with the following terms: Payment date will be computed from the date of receipt of material or service. Actual receipt will be the determining factor in the calculation of cash discounts and the scheduling of payment of net invoices. Unless an earlier date is supported by evidence of shipment as a part of the invoice, our receiving date will be used to establish time of payment.

MISCELLANEOUS – This purchase order, as the same may be amended or modified in writing, and any document referred to herein supersede all prior understandings, transaction and communications, or writings with respect to the matters referred to herein. When seller has not expressly accepted this order, Seller, by commencing work hereunder, shall be deemed to have agreed to all the provisions hereof.