



An employee owned company

**G&T INDUSTRIES, INC.'S TERMS & CONDITIONS
FOR PURCHASES OF GOODS AND SERVICES**

1. **Formation of Contract.** The terms set forth in this Purchase Order ("Order") are the sole terms for the purchase of goods and services by G&T Industries, Inc. ("Buyer") and shall apply to the exclusion of any additional or different terms contained in Seller's quotation, proposal or acknowledgement, or otherwise proposed by Seller. The Order is limited to and conditional upon Seller's acceptance of these terms exclusively. Seller's acceptance of these terms shall be conclusively presumed by Seller's shipment of the goods and/or services requested under this Order, or by Seller's return to buyer of an acknowledgement of this Order. Any contract made for the purchase of goods or services by Buyer is conditional on Seller's assent to all of the terms stated in this Order, which asset is presumed as noted above. Buyer objects to any additional or different terms proposed by Seller.
2. **Invoicing; Payment and Price.** All invoices must show the Order number. Buyer's payment for delivered good and services does not constitute Buyer's acceptance of the goods or services. The price stated in this Order shall not be increased unless specifically authorized in writing by issuance of a revised Order signed by Buyer. Seller warrants that the prices charged Buyer and stated in this Order are no higher than prices charged by Seller to others for similar goods in similar quantities and conditions or for similar services.
3. **Taxes.** No sales, use, excise or other taxes, whether federal, state or local, shall be added to the purchase price unless otherwise stated in this Order.
4. **Shipping and Delivery.** Seller shall deliver ordered goods and/or services to the specific Buyer location identified in the Order. Seller must include a packing list with all shipments. Delivery shall be made in one shipment immediately, unless otherwise specified by Buyer to Seller. Seller shall adhere to shipping directions specified on Buyer's releases. Seller acknowledged that time is of the essence and Seller shall notify Buyer immediately if Seller believes it cannot meet Buyer's delivery requirements. Buyer may from time to time change delivery schedules. Buyer shall not be liable for payment for goods or services delivered in excess of the quantities or after the times specified in Buyer's delivery instructions to Seller. Unless otherwise stated in this Order, all shipments of goods shall be F.O.B. Buyer's plant and shall be made at Seller's expense and risk of loss. Buyer shall have the right to instruct Seller on the method of shipment and packaging. No charges will be allowed for boxing, crating, packing or other preparation for shipment.
5. **Changes.** Any changes to the design (including drawings and specifications), processing, methods of packing and shipping, and the date or place of delivery of the goods or services covered by the Order shall not affect the time of performance or cost, unless Seller notifies Buyer in writing within ten (10) days of receipt by Seller of notice of any change order. Without Buyer's prior written approval, Seller shall not change (a) any third party supplier to Seller of services, raw materials, or goods used by Seller in connection with its performance under this Order, or (b) the nature, type or quality of any services, raw materials, or goods used by Seller or its suppliers in connection with this Order.

MICHIGAN

1001 76th Street
Byron Center, MI 49315
616.452.8611

PENNSYLVANIA

1157D Arnold Road
Reading, PA 19605
610.374.6700

TENNESSEE

200 Alexander Drive
Woodbury, TN 37190
615.563.4800

INDIANA

290 East 30th St.
Jasper, IN 47546
812.634.2252

6. Inspection of Goods; Samples. All goods described in this Order shall be subject to Buyer's inspection and approval. Buyer reserves the right to reject any nonconforming goods. Acceptance of any goods shall not relieve Seller from any of its other obligations under this Order. Seller shall provide samples in the amounts and at the times requested by Buyer.
7. Seller's Quality Control; Inspection of Seller. Seller agrees to establish and maintain quality control procedures to satisfy the requirements of Buyer and Buyer's customers, including but not limited to all applicable boating manufacturer and other marine hardware industry standards. Buyer has the right to inspect Seller's plant periodically to determine Seller's compliance with applicable quality control standards.
8. Seller's Warranties. Seller expressly warrants to Buyer, its customers and assigns, that all the goods and services provided under this Order will (a) conform to the specifications, drawings, samples, representations and other descriptions of the goods specified by Buyer, and made by Seller, (b) will be of good material and workmanship, free from defects in material, design and workmanship, (c) will be merchantable and fit for the particular purposes of Buyer and its customers (to the extent Seller is on notice of those purposes) and to the same extent and duration of any warranty given from Buyer and/or from Buyer's customers and assigns to their customers or assigns for Buyer's customers products and services utilizing Seller's failed goods and services under this Order; and (d) will comply with all applicable laws and regulations, including but not limited to Seller's identification of any hazardous materials and Seller's providing to Buyer all applicable M.S.D.S. forms. These warranties shall be in addition to any other warranty stated in this Order or available to Buyer under applicable law.
9. Indemnification of Buyer (General). Seller shall indemnify, defend, and hold Buyer and its agents harmless from all claims, liabilities, and expense, including but not limited to actual attorney fees, sustained by Buyer or its agents, including for claims from Buyer's customers due in whole or in part to failure of Seller's goods and services which have comprised all or part of Buyer's products and services to its customers, that arise from any action of Seller with regard to this Order, including but not limited to any matter of Seller's warranty set forth in Paragraph 8 above.
10. Indemnification of Buyer (Patents). Seller shall indemnify, defend, and hold Buyer and its agents harmless from all claims, liabilities, and expense, including but not limited to actual attorney fees, sustained by Buyer or its customers or agents and arising out of any claim of infringement of a patent, copyright, trademark, trade name or other proprietary right, or claim of unfair trade or of unfair competition, in connection with the manufacture, sale, or use of the goods or services sold by Seller to Buyer, except to the extent that any claim, liability, or expense arises solely from Seller's compliance with specifications furnished by Buyer.
11. Confidentiality of Buyer's Information. Any information disclosed by Buyer to Seller is confidential and Seller agrees not to use or disclose any of that information (except as necessary to fulfill Seller's obligations under this Order), without Buyer's prior written consent.
12. Termination Without Cause. Buyer may terminate without cause the contract evidenced by this Order at any time as to all or any part of the undelivered goods and/or services, by giving written notice to Seller. Buyer will reimburse Seller only for Seller's actual cost of labor and materials for producing goods under this Order incurred by Seller before Buyer notifies Seller of termination, less any net recovery to Seller on disposition or other use of the materials or goods. Buyer shall not be liable to Seller for un-performed services of the Order. Seller shall use its best efforts to mitigate its damages under this section. Upon receipt of notice of termination, Seller, unless otherwise directed in writing by Buyer, shall (a) terminate immediately all work under this Order; (b) transfer title and deliver to Buyer the finished work, the work in process, and the parts and materials that Seller produced or acquired in accordance with this Order and that Seller cannot use in producing goods or services for itself or for others; (c) settle all claims by subcontractors

approved by Buyer for reasonable costs that are rendered unrecoverable by the termination; (d) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest; and (e) cooperate with Buyer in resourcing of Selling's goods covered by this Order to a different supplier designated by Buyer.

13. Seller's Default. Seller is in default if any of the following occurs:

- (a) Seller breaches, repudiates, or threatens to breach any term in the contract evidenced by this Order or in any other agreement between Seller and Buyer;
- (b) Insolvency of Seller or filing of a voluntary or involuntary petition in bankruptcy with respect to Seller;
- (c) Appointment of a receiver or trustee for Seller; or
- (d) Execution of an assignment for the benefit of creditors of Seller.

14. Buyer's Remedies. In the event of Seller's default, Buyer may exercise any remedies available under applicable law, including but not limited to:

- (a) Seller's immediate correction, repair, or replacement of the goods and/or discontinued and/or replacement of Seller's services at Seller's expense;
- (b) Buyer may suspend payments, suspend performance, or cancel all or any part of the balance of any contract with Seller; and
- (c) Seller shall reimburse Buyer for all damages suffered due to Seller's breach, including but not limited to incidental, consequential and other damages, as well as lost profits, actual attorney fees, and court costs.

15. Limitation on Seller's Remedies. If Buyer breaches any term in this Order, Buyer shall not be liable for any incidental, consequential, indirect or any other special damages of Seller, including but not limited to lost profits or Seller's attorney fees. Any action against Buyer arising out of this Order must be filed within forty five (45) days after Seller knows or should know of any breach by Buyer.

16. General.

- (a) Compliance with Laws. Seller warrants that it is and will remain in compliance with all federal, state and local laws, regulations and ordinances relating to Seller's ability to perform its obligations under this Order.
- (b) Setoff. Buyer has the right to deductions or setoffs of any sums due to Buyer from Seller (whether or not arising from this Order) against any sums due to Seller from Buyer (whether or not arising from this Order).
- (c) Assignment. Seller shall not assign its rights or delegate its duties under this Order without Buyer's prior written consent. Buyer may assign to any third party its rights and obligations under this Order.
- (d) Entire Agreement and Amendment. This Order contains all of the terms of the agreement between Seller and Buyer with regard to its subject matter and supersedes all prior oral or written representations, agreements, and other communications between Seller and Buyer. This contract evidenced by this Order may be amended only by a writing signed by Seller and an officer of Buyer.

- (e) Severability. All terms shall be enforced only to the maximum extent permitted by law. If any term is invalid or unenforceable, all other terms shall remain in effect.
- (f) State Law. The sale of goods in accordance with this Order shall be governed in all respects by the laws of the State of Michigan, United States of America (without giving effect to principles of conflicts of laws), not including the United Nations Convention on Contracts for the International Sale of Goods.
- (g) Jurisdiction and Venue. Seller and Buyer agree that any action arising out of the sale of goods or services in accordance with this Order will be brought, heard, and decided in Kent County, Michigan. Seller submits to personal jurisdiction in Michigan.

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