KB MACHINES US HOLDINGS, LLC TERMS AND CONDITIONS OF PURCHASE

- 1. This order may be accepted only in strict accordance with its terms, which the proscription includes but is not limited to variation in kind or amount. Any terms and conditions originating with the Seller are hereby expressly rejected. The terms "you" and "your" refer to Seller. The terms "we" and "our" refer to KB Machines US Holdings, LCC.
- 2. An itemized list of the contents must be placed in each package noting the purchase order number, KB Machines US Holdings, LCC part number, description of material, quantity shipped and unit of measure.
- 3. Routing: All material must be forwarded per our requested carrier; otherwise, the difference in freight rates and extra cost of cartage will be deducted from your invoice. On all non-truck shipments, please use UPS. Air shipments are not authorized unless approved in advance. On all truck shipments for which KB Machines US Holdings will incur freight charges, please contact Mohawk Global 315-414-0453. All other trucking must be approved by the Buyer in writing.
- 4. Payment terms will be Net 60 days unless KB Machines US Holdings elects to take cash discounts offered by the Seller. Other payment terms must be approved in writing by the Purchasing Manager in advance and a copy of the approval must be on file in Accounts Payable.
- 5. Cash discount period and payment dates will be computed either from the date of delivery and acceptance of the goods ordered or the date of receipt of correct and proper invoices, prepared in accordance with the terms of Buyer's order, whichever date is later.
- 6. All Seller invoices will mirror the KB Machines US Holdings purchase order. Each invoice will reference the appropriate KB Machines US Holdings purchase order number. Invoices that do not contain the proper information will not be paid. Only one purchase order may be listed on your invoice. Do not bill multiple purchase orders on the same invoice.
- 7. Where material is made to blueprints furnished by KB Machines US Holdings, the design shall be considered as ours and the Seller will not furnish anyone else the same articles or parts thereof without written permission of KB Machines US Holdings
- 8. The Equal Employment Opportunity clause in Section 202 of Executive Order No. 11246, as amended, relative to Equal Employment Opportunity and the implementing rules and regulations of the office of Federal Contract Compliance are incorporated herein by specific reference.
- 9. The purchase order is not valid unless you can and do certify as follows on your invoice to us: "Labor Standards Act of 1938, as amended, has been complied with."
- 10. Seller agrees to comply with the provisions of the Occupational Safety and Health Act of 1970 and the standards and regulations issued thereunder. Seller certifies that all items furnished and all work performed hereunder will comply with said standards and regulations.
- 11. Seller is expected to cover under warranty all material supplied to KB Machines US Holdings, LLC for at least 2 years from the installation date at our customer's facility.
- 12. As required, Seller will provide KB Machines US Holdings, LLC with applicable Material Safety Data Sheets ("MSDS"). No chemicals are to be brought into our facility until the applicable MSDS is approved.
- 13. All expenses incurred by the Seller's failure to furnish necessary documents shall be charged to the Seller.
- 14. KB Machines US Holdings, LLC, reserves the right to cancel this order to make changes in quantities, specifications, and/or delivery schedules.
- 15. All material and equipment which may be furnished by Seller pursuant to the purchase order and any services or installations relating thereto shall be guaranteed to be of the best quality and free of defects in design, workmanship or material and suitable for their intended purposes. All defective material will be returned at the Seller's expense. If approved by the Seller, material may be reworked by KB Machines US Holdings and the rework costs billed back to the Seller.
- 16. Patterns, dies, molds, jigs and fixtures furnished to Seller by KB Machines US Holdings, LLC or paid for by KB Machines US Holdings, LLC shall be the property of KB Machines US Holdings, LLC
- 17. Seller is expected to maintain in good working order all patterns, dies, molds, jigs and fixtures which have been paid for by KB Machines US Holdings, LLC.
- 18. KB Machines US Holdings, LLC shall have the right to expedite and inspect any of the equipment or work covered by the purchase order prior to shipment.
- 19. By accepting the purchase order, Seller agrees to indemnify and hold harmless KB Machines US Holdings, LLC, its officers, employees, agents, or any customer buying goods specified on the purchase order from loss, damage, expense, or injury arising out of a claim of alleged infringement of patents or other intellectual property, which claims arise by reason of the alleged purchase, sale, or use of the goods supplied under the purchase order. Seller will assume the defense of any and all suits and will pay all costs and expenses incidental thereto.
- 20. All purchase orders shall be governed by and construed in accordance with the laws of the State of Illinois without regard to its conflict of laws rules.