

NOBLES WORLDWIDE
PURCHASE ORDER TERMS AND CONDITIONS

1. Acknowledgment showing expected shipping date must be made in writing within 24 hours of receipt of order.
2. On day of shipment, please mail to us two copies of invoice or bill of materials together with original bill of lading showing complete routing.
3. On items subject to quantity variations in manufacturing underrun rather than overrun for necessary variations unless otherwise stated in the P.O. (as defined below) by the Purchaser.
4. Packing slips should be enclosed with all shipments.

1. **ACCEPTANCE.** (a) The purchase order (the "P.O.") to which these terms and conditions (these "Terms") are attached constitutes an offer by Nobles Worldwide, Inc. ("Purchaser") to the supplier named in the P.O. ("Supplier") to purchase the goods (the "Goods") and/or services (the "Services") specified in the P.O. under the terms and conditions specified in the P.O. and these Terms. Supplier accepts Purchaser's offer upon the earlier of sending an acknowledgment of receipt of the P.O. or Supplier taking steps to supply the Goods and/or Services. Purchaser hereby objects to and rejects any different, additional and/or supplementary terms and conditions set forth in Supplier's communications including, without limitation, those set forth in Supplier's bid, quotation, acknowledgment or invoice, *provided, however*, that the P.O. may expressly incorporate by reference certain portions of Supplier's bid or quotation materials and such referenced portions shall be a part of this Agreement (as defined below). If, notwithstanding the foregoing, the P.O. and these Terms are construed to be an acceptance, Purchaser's acceptance is expressly conditioned on Supplier's agreement to the P.O. and these Terms as the sole and exclusive statement of the agreement between Purchaser and Supplier with respect to the Goods and Services specified in the P.O.

2. **CONTROLLING TERMS AND CONDITIONS.** The agreement between Purchaser and Supplier consists of the P.O., the Flow-Down Provisions (as defined in Section 17), if any, these Terms and, only to the extent of the sections expressly incorporated by reference in the P.O., Supplier's bid or quotation materials (but excluding any portion of such bid or quotation materials which constitutes terms and conditions) (collectively, this "Agreement"). In the case of any conflict or inconsistency among the various documents that comprise this Agreement, such conflicts and inconsistencies shall be resolved in the following order: (i) the P.O. and any documents referenced therein but excluding Supplier's bid or quotation materials, except to the extent a line item of the P.O. specifically incorporates a portion of such Supplier's bid or quotation materials and expressly states that it takes priority over conflicting or inconsistent terms in the Flow-Down Provision and/or these Terms; (ii) the Flow-Down Provisions; (iii) these Terms; and (iv) to the extent expressly incorporated by reference in the P.O. and not subject to priority pursuant to clause (i), Supplier's bid or quotation materials. If Supplier should determine that there is any conflict or inconsistency among specifications, drawings, samples, designated type or grade, part number, or catalog description for the Goods or Services, Supplier must, before

proceeding, consult Purchaser, whose written interpretation shall be final.

3. **PRICES; INVOICES; PAYMENT.** If the P.O. states a firm purchase price for the Goods or Services ordered thereby, Supplier may not increase the price for the volume of the Goods and Services set forth in the P.O. but shall give Purchaser the benefit of any price decreases that occur prior to delivery of the Goods and Services. If the P.O. sets forth only a volume of Goods and Services but does not set forth a firm purchase price, Supplier shall not increase its price from that set forth in Supplier's original bid or quotation or the price of the last sale to Purchaser under the P.O. unless Supplier gives Purchaser prior written notice of the price increase and Purchaser accepts such increase. If Supplier increases its prices for any Goods or Services covered by any P.O. that does not state a firm purchase price, Purchaser may accept the higher price or terminate the P.O. without any liability to Supplier beyond paying the purchase price for Goods and Services already delivered to Purchaser under the terms of the P.O. at the time of Purchaser's termination. Unless otherwise stated in the P.O., Purchaser's prices are based on CIP (Incoterms 2000) to the destination set forth in the P.O. and shall also be inclusive of all applicable taxes other than sales and use taxes which Supplier is required to collect. Supplier shall separately itemize all such sales and use taxes on its invoices. Supplier will issue invoices to Purchaser at the address specified in the P.O. or at such other address as Purchaser may specify from time to time and shall issue such invoices only after shipment of the Goods or the delivery of the Services to Purchaser. Supplier shall issue all invoices in duplicate. The invoice shall describe the Goods and Services being invoiced, state the P.O. number and, where applicable, attach the original bill of lading or other shipping documentation. Purchaser's standard payment terms require that it process payment for accepted Goods and Services delivered under the P.O. within forty five (45) days after receipt of a proper invoice from Supplier; *provided, however*, that if the customer to whom Purchaser resells the Goods or Services voluntarily or involuntarily becomes subject to a bankruptcy, receivership or another similar proceeding, then Purchaser's payment obligation shall be to pay to Supplier the same percentage of the net value of Supplier's proper invoices for the Goods and Services resold to the customer but not paid in full as a result of such proceedings as the percentage of the net value of Purchaser's invoices that is actually recovered by Purchaser in connection with such proceedings, such payment to be made within twenty (20) days after the final recovery by Purchaser. If Purchaser

agrees to vary from its standard payment terms, the varied payment term will be set forth in the P.O. Unless the P.O. expressly states otherwise, payment durations set forth in the P.O. describe the number of days after receipt of a proper invoice from Supplier within with Purchaser will process payment.

4. **CHANGES IN P.O. AS ACCEPTED.** Purchaser reserves the right at any time to make changes in time of delivery, drawings and specifications, and material used or work covered by the P.O. If any such change causes an increase or decrease in Supplier's production costs, or time required for Supplier's performance, then an equitable adjustment in price and time for Supplier's performance will be made, either for the benefit of the Supplier or the Purchaser, as the case may be, and the P.O. will accordingly be modified in writing by the Supplier and the Purchaser.

5. **PACKING.** Supplier shall pack all the Goods in accordance with all applicable industry standards and applicable laws, rules and regulations including, without limitation, 29 CFR 1910.1200. All packing materials and containers shall be suitable for protecting the Goods against in-transit damage. If Supplier is required to arrange for shipping, Supplier shall require that the selected carrier comply with all applicable laws, rules and regulations in performing its responsibilities. Notwithstanding anything in this Agreement to the contrary, Supplier shall be responsible for providing any chemical import certification required and shall retain documentation of such certification(s) and provide copies to Purchaser immediately upon request.

6. **DELIVERY; DELAYS.** Supplier shall ship all Goods pursuant to the Incoterms shipment term set forth in the P.O., or if not so specified, CIP (Incoterms 2000) to the destination named in the P.O., and each party will perform their respective obligations and bear their respective risks that are implied by such term. All the Goods and Services must be shipped or delivered by the applicable date set forth in the P.O. (as such date is construed pursuant to the applicable Incoterms 2000 shipment term) but must not be shipped or delivered more than two weeks in advance of the shipment or delivery date without Purchaser's prior written approval. Supplier shall not ship excess quantities without Purchaser's prior written approval. Purchaser shall not be obligated to accept substitute, untimely, excess or under shipments, and Purchaser may, at Purchaser's option, return to Supplier, or hold for disposition, any such substitute, untimely, excess or under shipments, all at Supplier's expense and risk. The P.O. numbers must be plainly marked on all shipments. Supplier agrees to notify Purchaser immediately of any matters or events which may delay delivery of the goods or services herein ordered. If Supplier does not comply with the delivery schedule contemplated by the Agreement, then Purchaser may at its option and without limiting any other remedy available under the Agreement or at law, (i) revise the delivery schedule, (ii) cancel the P.O. without cost to the Purchaser, and/or (iii) receive a credit (which may be used, at Purchaser's sole election, to set off and reduce amounts due under the Order or any further purchase order) equal to three percent (3%) of the total payments due under the Order if the delivery is thirty (30) days or more late, with an additional three percent (3%) discount for each additional thirty (30) days during which Supplier has not fully and timely satisfied the delivery requirements under the Order.

7. **INSPECTIONS.** At Purchaser's request, Supplier will allow Purchaser or a third party specified by Purchaser to inspect and test the Goods and the Services (and related deliverables) in any reasonable manner during the period of manufacture or performance and in any event prior to delivery. Supplier agrees to permit access to Supplier's facilities at all reasonable times for such inspections and will provide all tools, facilities and assistance reasonably necessary for such inspections at no additional cost to Purchaser. The Goods and Services (and related deliverables) will be subject to final inspection and acceptance by Purchaser after delivery. It is expressly agreed that inspections and/or payments prior to delivery will not constitute final acceptance. If blueprints and specifications are furnished by the Purchaser, the P.O. shall be based upon such blueprints and specifications. Approval of sample by the Purchaser, or payment for goods or materials prior to inspection by Purchaser, shall not relieve the Supplier from strict and full compliance with such blueprints and specifications. If the Goods or Services (and related deliverables) do not meet the specifications or otherwise do not conform with the requirements of this Agreement, Purchaser may reject such Goods and Services. Goods which have been rejected shall be returned to Supplier at Supplier's risk and expense for credit or refund of purchase price and/or replacement, at Purchaser's option. Without limiting the foregoing, transportation charges for shipment to Purchaser and for return to Supplier shall be paid by the Supplier.

8. **MATERIALS FURNISHED.** Any material furnished by Purchaser on other than a charge basis shall be deemed held by the Supplier upon consignment and unless otherwise expressly provided, the Supplier shall pay the Purchaser for all such material even if not accounted for by Supplier.

9. **REPRESENTATIONS AND WARRANTIES.** (a) Supplier represents and warrants that for the remaining shelf life of the Goods, the Goods will: (i) conform to the standard specifications, instructions and drawings applicable thereto as well as any specific specifications, instructions and drawings set forth or described in the P.O. and any previously provided samples; (ii) be free from defects in materials and workmanship; and (iii) be merchantable and fit for its intended purpose. (b) Supplier represents and warrants that: (i) it will perform all services in a professional and workmanlike manner and in accordance with all industry standards; and (ii) all deliverables will comply with any and all requirements set forth in this Agreement. (c) Supplier represents and warrants that it will perform its obligations under this Agreement and all the Goods and Services will comply with all applicable laws, rules and regulations including, without limitation, the Occupational Safety and Health Act and the Toxic Substance Control Act and all applicable rules, regulations and Executive Orders issued thereunder, as they may from time to time be modified, amended and/or superseded. (d) Supplier represents and warrants that all hazardous or potentially hazardous Goods will be contained, packaged, labeled and shipped in accordance with all applicable laws, rules and regulations and that Supplier will furnish Purchaser with all information as is reasonably necessary, including, but not limited to, all completed Material Safety Data Sheets (U.S. Department of Labor Form LSB-OOS-41) or Supplier's equivalent form, to assist Purchaser in using, handling, storing and distributing such Goods in compliance with the aforesaid laws, rules and regulations. (e) Supplier represents and warrants that (i) it will convey good title to the Goods and the deliverables resulting from the Services free and clear of any and all

liens, claims and encumbrances in favor of any third party and (ii) the Goods and the Services (and the deliverables resulting therefrom) and Purchaser's and its customers import, use and/or sale thereof will not infringe or misappropriate the intellectual property or proprietary rights of any third party. (f) Supplier represents and warrants that the goods purchased hereunder and the sale or use of them will not infringe any United States patent or trademark otherwise specifically agreed to in writing, the Supplier agrees to hold harmless the Purchaser, its successors, assigns, customers, and users of its products against any loss, damage, liability, costs and expenses which may be Incurred as a result of and or in defending or settling any suit, claim, judgment, or demand Involving infringement or alleged infringement of any United States Letters Patent by the sale or use of the goods purchased hereunder. The Supplier agrees that it will, when so requested, provided it is given reasonable notice of the pendency of any such suit, claim or demand, assure the defense of the Purchaser, and or its successors, assigns and customer, and users of its products against any such aforementioned suits, claims, or demands. (g) These warranties shall be in addition to all other warranties, express, implied or statutory. Inspection of, acceptance of and payment for, any Goods or Services shall not constitute a waiver of, or otherwise limit Purchaser's rights with respect to, any breach of the foregoing representations and warranties. (h) Without limiting Purchaser's rights and remedies, Supplier shall, if requested by Purchaser, promptly repair or replace any Goods or Services that do not conform to the requirements of this Agreement at Supplier's sole cost and expense. (i) Purchaser's customers are intended third party beneficiaries of the agreements, covenants, representations and warranties made by Supplier in this Agreement. In addition, Purchaser may pass through any and all of the agreements, covenants, representations and warranties made by Supplier in this Agreement to Purchaser's customers as well as any claims arising out of or related to the inaccuracy or breach of any such agreements, covenants, representations and warranties.

10. DIES, JIGS, TOOLS AND PATTERNS. If the P.O. is for dies, jigs, tools and patterns for use in the supply or manufacture of Goods for the Purchaser, or if the price to be paid for the Goods on the face of the P.O. includes the cost of dies, jigs, tools and patterns for use in the manufacture of goods for the Purchaser, then such dies, etc. shall be the property of the Purchaser and shall be subject to removal from the Supplier premises by the Purchaser at any time without further charges, of any nature. Supplier shall keep adequate records of such property which shall be made available to Purchaser upon request and Supplier shall, for so long as Supplier has not returned any die, jig, tool or pattern to the Purchaser provide an annual written accounting of the number, description and location of each die, jig, tool and pattern on or prior to the 20th day of January of each year. Supplier shall store, protect, preserve, repair and maintain such property in good condition and in accordance with sound industrial practice, all at Supplier's expense; *provided, however* that the Supplier shall not be required to repair a die, jig, tool or pattern in the event that such repair is needed solely due to degradation of such die, jig, tool or pattern as a result of use of such die, jig, tool or pattern solely for Purchaser orders and such die, jig, tool or pattern has always been used in compliance with all instructions of Purchaser. In the event that Purchaser's property becomes lost or damaged to any extent from any cause while in Supplier's possession, Supplier shall promptly repair or replace such property at Supplier's expense as specified by Purchaser.

Such tools, dies, jigs or patterns shall not be used in filling purchase orders other than those of the Purchaser, except with the prior written consent of the Purchaser. Drawings of such tools, dies, jigs or patterns must be supplied by the Supplier upon request by the Purchaser. Unless otherwise agreed by Purchaser in writing, Supplier shall insure the replacement value of such property against loss or damage caused by any and all risks and name Purchaser as a loss payee on such insurance. Supplier shall supply Purchaser certificates of such insurance showing the requisite insurance promptly following Purchaser's request therefor from time to time. Upon the request of Purchaser, Supplier shall make such property available to Purchaser in the manner requested by Purchaser including preparation, packing and shipping as directed by Purchaser.

11. CANCELLATION BY PURCHASER. Purchaser reserves the right to cancel this Agreement, or any part thereof, at any time, though the Supplier is not in default hereunder, by giving written notice to the Supplier. In the event of such cancellation, Purchaser shall pay for all Goods and Services delivered and completed and an equitable settlement shall be arrived at for cost incurred by Supplier for Goods and materials in process, not to exceed the aggregate committed quantity and/or price specified in the P.O. Where cancellation is by reason of termination of a contract of any governmental or quasi-governmental entity, agency, body or similar entity or part under which the P.O. has been placed, Purchaser will pay the Supplier if and when Purchaser is paid in respect of such contract by such governmental or quasi-governmental entity, agency, body or similar entity or part. Upon receipt of any notice of cancellation hereunder, Supplier staff, unless otherwise directed, immediately discontinue all work in progress and immediately cancel all orders or subcontracts given or made pursuant to this Agreement. Exercise by Purchaser of the right to cancellation reserved in this Section 11 and Section 6 hereof shall give rise to no liability on the part of the Purchaser except as specified in this Section 11, and shall not have the effect of waiving damages, rights or remedies to which the Purchaser might otherwise be entitled.

12. CANCELLATION BY SUPPLIER. In the event that the Supplier desires and requests, in writing, and receives permission for cancellation of this Agreement prior to the completion of services, or delivery of the total goods, specified herein, the Purchaser shall not be obligated to pay the Supplier for the goods and materials in process, but shall only be obligated to pay the Supplier for the finished goods delivered, or services rendered, as of the effective date of such cancellation, which date shall be the date of acknowledgement and agreement by the Purchaser to the Supplier's desire to cancel the P.O., *provided, however*, that Purchaser shall be obligated to pay for the tools, dies, jigs and patterns included under the P.O. only to the extent that such tools, etc. have been completed to the specifications hereof or, or to the specifications of the goods for which such tools, etc. are being built, as of the effective date of such cancellation and provided further, that such tools, etc., regardless of the percent of completion are readily adaptable for use by the Purchasers In Its own or another Supplier's manufacturing facilities. Nothing in this Section 12 is intended, nor should such be implied, to be a waiver of Purchaser's legal or equitable rights or remedies for breach of the terms of this agreement.

13. **INDEMNIFICATION.** Supplier shall indemnify, defend and hold harmless Purchaser and its customers and their respective affiliates and the directors, officers, employees, agents, successors and assigns of each of the foregoing from and against any and all claims, suits, causes of action, proceedings, damages, judgments, settlements, liabilities, fines, penalties, costs and expenses including attorneys' fees made, filed, suffered or incurred in respect of, arising out or resulting from any one or more of the following: (a) Supplier's breach of any covenant, agreement, representation or warranty set forth in this Agreement; (b) the negligence or willful misconduct of Supplier or any of its employees, subcontractors or agents; (c) events or conditions for which Supplier has strict liability; and (d) any claim that the import, offer for sale, sale or use of the Goods and/or Services (and the deliverables resulting therefrom) infringe or misappropriate any intellectual property or proprietary right of any third party. Without limiting any other right or remedy that Purchaser may have under this Agreement, in the event that Purchaser believes that it will be precluded from using or selling any Goods or Services (or related deliverables) as a result of any claim described in Section 13(d) above, Supplier will, on request of Purchaser, (i) attempt to negotiate a license that permits Purchaser to use and sell the Goods and Services (and related deliverables) without any further cost to Purchaser or (ii) promptly modify or replace the infringing Goods or Services (and related deliverables) such that they are non-infringing but still meet all the requirements of this Agreement. If the foregoing are not possible or if Supplier is not able to accomplish either action set forth in clauses (i) or (ii) of this Section 13 within sixty (60) days after Purchaser's request, then Supplier shall accept Purchaser's return of all Goods and Services (and related deliverables) affected by the claim of infringement or misappropriation and refund to Purchaser the purchase price paid therefor and reimburse Purchaser for the packing, insurance and shipment costs incurred in connection with such return, in each case within ten (10) days after delivery of the Goods and Services (and related deliverables) to Supplier.

14. **WORK ON PURCHASER'S OR ITS CUSTOMER'S PREMISES.** If Supplier's work under the P.O. involves operations by Supplier on the premises of Purchaser or one of its customers, Supplier shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and except to the extent that any such injury is due solely and directly to the Purchaser's gross negligence as determined by a court of competent jurisdiction, shall indemnify Purchaser against all loss which may result in any way from any act or omission of the Supplier, its agents, employees or subcontractors, and Supplier shall maintain such Public Liability, Property Damage, Employer's Liability and Compensation Insurance as will protect Purchaser from said risks and from any claims under any applicable Workman's Compensation and Occupational Disease Acts.

15. **ASSIGNMENT; ENTIRE AGREEMENT; MODIFICATION.** This Agreement may not be assigned or subcontracted in whole or in part without the prior written consent of the Purchaser. This Agreement supersedes all prior and contemporaneous discussions, agreements, negotiations and documents with respect to the supply of the Goods and Services specified in the P.O.

16. **USE OF PURCHASER'S NAME.** The Supplier agrees not use the Purchaser's name in Supplier's advertising, or to show

parts made for Purchaser in Supplier's advertising with Purchaser's name, or otherwise use Purchaser's name to promote Supplier's sales, without prior written permission of Purchaser.

17. **GOVERNMENT CONTRACTS; FLOW-DOWN PROVISIONS.** If the Goods or Services contemplated by the P.O. are destined for United States Government use, pertinent provisions of Federal Laws, Executive Orders, Armed Services Procurement Regulations and Implementing instructions thereto, shall apply. Supplier shall provide immediate notice to Purchaser if it or any of its subcontractors receive any notice concerning any proposed or actual debarment, suspension or restricted eligibility of Supplier or its subcontractors under any government contracting program. Supplier shall not use any subcontractor who is subject to any proceeding concerning debarment, suspension or eligibility under any government contracting program or has been debarred, suspended or ruled ineligible under any such program. If it is indicated on the face of the P.O. or Supplier is otherwise informed that the P.O. is placed, directly or indirectly, under a contract of the U.S. government or any state or other governmental authority or under a particular prime contract, then all terms and conditions required by law, rule or regulation or by the prime contract to be flowed-down to the P.O. (the "Flow-Down Provisions") are hereby incorporated into this Agreement. Supplier agrees, upon request, to furnish Purchaser with a certificate or certificates in such form as Purchaser may require certifying that Supplier is in compliance with all the Flow-Down Provisions. Upon request, Purchaser will make available to Supplier copies of all the Flow-Down Provisions. Supplier will impose the Flow-Down Provisions on each of its subcontractors involved in performing under this Agreement.

18. **NON-DISCRIMINATION IN EMPLOYMENT.** Unless the P.O. is explicitly exempted by provisions of the President's Executive Order No. 11246 as amended, Supplier agrees in connection with performance of work hereunder, not to discriminate against any employee or applicant for employment because of race, religion, sex, color, or national origin, including but not limited to non-discrimination in upgrading, demotion, transfer, recruitment, advertising, layoff, termination, rates of pay or compensation, and selection for training including apprenticeship; to post in conspicuous places notices with respect to non-discrimination in employment practices; to fully comply with Executive Order No. 11246 as amended and the rules and regulations issued thereunder; and to insert such non-discrimination provisions in all purchase orders or subcontracts incident to performance of work under the P.O., except such as are exempted by regulations issued under such Executive Order.

19. **ACCIDENT OR RELEASE OF HAZARDOUS SUBSTANCES; OTHER NOTICES.** Supplier shall immediately notify Purchaser of any accident or release of hazardous substance occurring at any facility owned or operated by Purchaser or any of its customers caused by Supplier or any its carriers or subcontractors. Supplier shall also immediately notify Purchaser of: (a) any action taken by any governmental authority which restricts or otherwise regulates the manufacture, processing, distribution in commerce, use or disposal of any of the Goods; (b) Supplier becoming aware that the Goods are non-conforming; and (c) any change in the Goods, process of manufacture, site of manufacture and/or quality control procedures.

20. **INDEPENDENT RELATIONSHIP.** Nothing herein contained shall be deemed to create an employment, agency, joint

venture or partnership relationship between Purchaser and Supplier or any of their agents or employees, or any other legal arrangement that would impose liability upon one party for the act or failure to act of the other party. Neither party shall have any power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other party, or to bind the other party in any respect whatsoever.

21. APPLICABLE LAW; JURISDICTION AND VENUE.

This Agreement and its performance shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania applicable to contracts entered into by residents of Pennsylvania and wholly performed in Pennsylvania. In the event of any dispute or controversy between the parties in connection with this Agreement, both parties irrevocably submit to the exclusive jurisdiction and venue of the state and federal courts with jurisdiction over Purchaser's then-current headquarters. The prevailing party in any litigation between Purchaser and Supplier concerning this Agreement shall be entitled to an award of its costs and expenses incurred in connection with such litigation including its attorneys' fees and costs and expenses of experts. This Agreement shall be deemed to constitute a contract for the sale of goods between Supplier and Purchaser. Purchaser shall be entitled to all rights and remedies available at law with respect thereto.

22. NOTICES.

All correspondence and other notices under this Agreement (each, a "Notice") shall be in writing and hand delivered or delivered by electronic mail or overnight courier to the recipient's electronic mail address or physical address set forth in the P.O. or to a member of the Purchaser's Purchasing Department or such other address as a party may specify by giving notice to the other party in accordance with this Section 22. A Notice shall be deemed to have been given and received for all purposes of this Agreement (i) when delivered personally by hand, (ii) upon transmission when sent via electronic mail, or (iii) one Business Day following the day sent by overnight courier.