

FLUID ENGINEERING PURCHASE ORDER TERMS AND CONDITIONS

1. Purchase of Goods and/or Services. Vendor agrees to sell, and buyer agrees to buy, the goods and/or Services (goods) that are subject of this Agreement. Buyer is the Fluid Engineering entity named on the face of this purchase order; Vendor is the entity supplying the goods. Buyer's purchase order number must be shown on all correspondence, invoices and shipments.
2. Validity; Taxes. The price and payment terms for the items shall be the price specified by the Buyer on the face hereof, which shall include any local, state and federal taxes applicable to this order; provided however, Buyer shall be given the benefit of any discount for prompt payment offered by Vendor. Unless otherwise indicated on the other side of this form, all purchases are F.O.B. (Incoterms®2010) Buyers designated destination.
3. Indemnity; Patents. Vendor shall defend, indemnify and hold harmless Buyer, its subsidiaries and customers from and against all damages, claims, liabilities, losses and expenses (including reasonable attorney fees) arising out of or resulting in any way from (i) the goods or services purchased hereunder, (ii) any act or omission of Vendor, its agents, employees or subcontractors, or (iii) infringement or alleged infringement of any patent or right of a third party by the sale (including resale) delivery, acceptance, possession or use of the goods covered by this order, whether or not such goods are according to Buyer's specifications, drawings, or samples. If Buyer is enjoined from using any goods purchased hereunder, Vendor shall, at its expense; (a) procure for Buyer the right to use and/or resell such goods; (b) modify such good so as to avoid infringement of any patent or other proprietary interest; or (c) replace such good with non-infringing goods.
4. Objection to Alternative Terms. This purchase order expressly limits acceptance to the terms stated herein, contains the entire agreement between the parties herein, and may be modified only by a duly related purchase order change form signed by Buyer's authorized representative. Objection is hereby made to additional or different terms proposed by Vendor in any quotation, acknowledgement, invoice, or otherwise. In the event of conflict between language of terms hereof and Vendors' acceptance, the terms of this order shall prevail. This purchase order may be accepted by (a) Vendor's commencement of work on the items listed herein; or (b) shipment of ordered items; or (c) Vendors' written acceptance or confirmation to Buyer, whichever first occurs.
5. Title; Risk of Loss. Title to Goods purchased under the order and risk of loss therefore passes to Buyer upon Buyer's acceptance of good. Prior to Buyer's acceptance of the goods, Buyer shall not be liable for any loss of, damage to or damage caused by the goods. Vendor shall make timely delivery of the goods in accordance with Buyer's instructions and, unless otherwise noted on the other side of this form, shall arrange and pay for all freight and insurance changes.
6. Specifications. Any specifications, drawings, notes, instructions, engineering notices and technical data referred in this order shall be deemed to be incorporated herein by reference. All goods provided by Vendor must conform strictly to specifications and must be the best of their respective kind.
7. Warranties. Vendor warrants all goods delivered hereunder to be new and of best quality, free from defect of materials or worker workmanship, fit for their intended purpose and to conform strictly to any specifications, drawings, or sample specified or furnished by Buyer, and free of liens or encumbrances. Vendor also warrants that it shall obtain and assign or otherwise provide to Buyer the benefits of warranties and remedies provided by manufacturers or suppliers of material or equipment incorporated into the goods or services covered by this purchase order. Vendor also warrants that all goods shipped hereunder have been produced and all services performed are in compliance with applicable local, state and federal law, rule, regulation, standard door code, including but not limited to, environmental protection and occupational health and safety. This warranty shall survive any inspection, delivery, acceptance or payment by Buyer. In the case of the purchase of services under this order, Vendor warrants that all work shall be provided in a safe, proper and workmanlike manner and, and shall be pre-approved by qualified licensed professionals in the event professional design work is involved.
8. Termination; Cancellation. This order, when accepted by Vendor, is not subject to cancellation, price change, or reduction in amount of deliveries except with Buyer's consent and upon terms contained herein. Buyer assumes no obligation for goods shipped in excess of this purchase order. Buyer reserves the right to change delivery specifications in accordance with its needs and (time being of the essence with respect to Vendor's obligations) to cancel, reject, or return all or any part of shipment made after the time of the delivery specified in the order, or if shipped incomplete. In addition, all goods are bought with the understanding that if not satisfactory, they may be returned. No Payment is due until the Buyer accepts the goods and/or services. Buyers reserve the right, in addition to its other remedies, to charge Vendor with all costs, expenses and damages associated with any such return, rejection or cancellation. Buyer may cancel this order or any part thereof for the sole convenience of Buyer by written notice to Vendor. Upon receipt of such notice, Vendor shall discontinue work on all unshipped material. If this order is cancelled because of the Vendor's default of any of the terms and conditions in this order, or a petition is filed by or against Vendor under any bankruptcy laws, or because Vendor makes a general assignment for the benefit of its creditors, or because Vendors fails to meet its obligations as they fail due, or because a receiver is appointed for any of the property of the Vendor, the obligations of Buyer under this order shall terminate. If this order or any part of hereof is canceled for the convenience of Buyer, Buyer shall pay Vendor the order price for all materials separately priced and delivered prior to the receipt by Vendor of the notice of cancellation, and a pro-rata portion of the order price for all material delivered and not separately priced on the order.
9. Payment. Unless otherwise agreed to between the parties in writing, payment for the goods or services will be due net thirty (30) days after Buyer's acceptance.
10. Insurance. Vendor shall provide Buyer with proof of insurance in amounts and types acceptable to Buyer prior to delivery of any goods or services hereunder.
11. Assignment. Vendor shall not assign, sublet, transfer, pledge, or negotiate this order without the prior written consent of the Buyer. All such information and all copies thereof shall be returned promptly to Buyer upon request. Unless otherwise agreed in writing, no information disclosed by Vendor to Buyer shall be deemed confidential, and Vendor shall have no rights against Buyer with respect to Buyer's use thereof.
12. Exclusive Design. Vendors shall not supply goods made to Buyer's design to anyone other than Buyer without Buyer's written consent. All information furnished by Buyer to Vendor is confidential, and Vendor shall not, without prior written consent from buyer, disclose any such information to any other person, or use such information itself for any purpose other than performing this order.
13. Force Majeure. Neither party shall be liable for delayed performance of its respective obligations under this Purchase Order when prevented by any cause beyond its reasonable control (other than financial or economic incapacity), and cannot be remedied by the exercise of reasonable diligence, including such acts of God, acts of public enemy, insurrections, riots, strikes, labor disputes, work stoppages, fires, explosions, floods, power failures, interruptions in or exigencies of transportation, embargoes, orders, actions or non-actions of civil or military authorities, or governmental requirement or restrictions, which prevent, in whole or in part, either party from performing its obligations under this Agreement (each such event is a force majeure event). The party suffering a Force Majeure event shall invoke this provision by promptly notifying the other party in writing of the nature and estimated duration of the Force Majeure event. In the case of any such Force Majeure event declared by Buyer or Vendor, Buyer may cancel this Purchase Order in whole or in part as to any undelivered or unrendered portion of goods or services. In the case of a Force Majeure event declared by Vendor, Vendor may suspend in whole or in part of deliveries of goods and rendering of services during the continuance of such Force Majeure event. During the period of any Force Majeure Event declared by Vendor, Vendor shall not solicit, bid or enter into any new contracts or purchase orders not already contracted until Buyer is released in writing from any allocations of goods or services imposed by Vendor during the Force Majeure Event.
14. Safety; Liability. Vendor's representatives, agents, or employees shall comply with all the Buyer's regulations while on Buyer's property. Vendor hereby assumes entire liability for any and all damage or injury of any kind whatsoever (including death or personal injury resulting therefrom to all persons, whether representative, agents, employees of Vendor or otherwise) and to all property, caused by, resulting from, or arising out of Vendor's acts or omissions or that of its representatives, agents, or employees.
15. Independent Contractors. The parties to this Purchase Order are independent contractors, and nothing contained herein shall be construed to place them in the relationship of employee and employee, partner and agent or, and joint ventures.
16. No Waiver. Neither delay nor lack of enforcement of any of these terms and conditions shall preclude Buyer from enforcing any and all of them.
17. Governing laws. The laws of the state of Alabama shall govern this order.
18. No Liens. Vendor agrees that it shall not file any liens as a result of producing goods or services hereunder and that it shall not permit its subcontractors or any other suppliers to file such liens. When requested, Vendor shall provide Buyer with lien waivers for itself, its subcontractors and other suppliers in a form satisfactory to Buyer, who may withhold any payment(s) otherwise due until it has received reasonable assurance that all Vendor's obligations respecting the goods or services have been paid. If a lien is filed, Vendor shall cooperate fully with Buyer at Vendor's expense, to remove such liens.
19. Right of Inspection. Buyers shall have the right to inspect and test all goods at any time prior to shipment, including during manufacture, at Vendor's site or the site of Vendor's supplier or subcontractor. Where inspection or testing reveals that material, fabrications or other characteristics do not meet Buyer's specifications, all corrective actions taken will be at the cost of Vendor, and must be accomplished to Buyer's complete satisfaction. It is not Buyer's intent to act as the Vendor's quality control inspector; random testing and inspections by Buyer's personnel will be done only as added assurance that Vendor material and manufacturing are in accordance with Buyer's specifications. All Goods are subject to final Inspection and acceptance by Buyer at destination, notwithstanding any payment or prior inspection. Upon request, Buyer's customers will be allowed to inspect Vendor's operations in order to verify product quality.
20. Compliance with Laws. **This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4 (a), 60-300.5 (a) and 60-741.5 (a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors may take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.**
21. Severability. If any provision hereof shall be adjudicated to be invalid or unenforceable, the remaining terms and provisions shall not be affected, but shall remain in full force and effect.