

Highpoint Tool and Machine
Purchase Order Terms and Conditions

1. **ACCEPTANCE:** The provided purchase order constitutes an offer by Highpoint Tool and Machine (“Buyer”) to purchase from Seller the goods and/or services referenced in the purchase order exclusively under these terms and conditions. Acceptance of the purchase order is expressly limited to these terms and conditions. No amendments, modifications or waiver of any of these terms and conditions by Seller unless agreed to in writing by the parties. In the event of any conflict between the terms of the purchase order and the terms of any such written agreement, the terms of the written agreement between Seller and Buyer shall govern control.
2. **PRICE:** The price stated in the purchase order shall include all applicable taxes, the cost of packaging of goods, and suitable shipment by the method specified by Buyer.
3. **CHANGES:** Buyer reserves the right at any time prior to shipment to make changes to drawings, designs or specifications of goods ordered, the methods of shipping or packaging, the place or method of delivery, the schedule of delivery, the quantities of goods ordered, or the work covered hereby. If any such changes affect cost and/or delivery schedule, the Seller shall notify Buyer immediately, and in the case of an increase in cost, within 10 days of such notice Seller shall submit a detailed cost break-down to the changed requirements. The parties will then discuss an equitable adjustment in the purchase order price, delivery schedule or both; however, no adjustment will be binding on Buyer unless evidenced by a purchase order, change notice or revision to the purchase order authorized by a representative of Buyer’s purchasing staff. Nothing in this Section shall excuse Seller from proceeding with the purchase order as changed.
4. **PACKING, MARKING AND SHIPPING:** Seller shall pack, mark and ship all goods in accordance with the requirements of the purchase order and good commercial practices, and in a manner which will permit the securing of the best transportation rates. Damage to any article resulting from improper packaging will be charged to the Seller. No additional charges will be allowed for containers, crating, boxing, or cartage, unless stated in the purchase order. Packing slips must accompany all shipments. The Buyer’s count will be accepted as final and conclusive on all shipments not accompanied by packing slips. The Buyer’s purchase order number, description and count must appear on all invoices, packages, and bill of lading.
5. **DELIVERY:** Time is of the essence for shipment or delivery and to any other performance required of Seller. Shipment or delivery shall be in accordance with the schedule set out in the purchase order and in exact quantities ordered. If it appears Seller will not meet such schedule or if Seller fails to meet such schedule, Seller shall, upon request of Buyer and in addition to any other rights or remedies provided to Buyer by law or under the purchase order, ship via expedited routing necessary either to meet such schedule or to recover the maximum possible time lost by failure to ship or deliver on schedule, and the difference between the expedited routing and the purchase order routing cost shall be borne by Seller. Buyer reserves the right, at Seller’s expense, to return any goods shipped in advance of the schedule set out in the purchase order.
6. **INVOICES:** Seller shall issue an invoice immediately after shipment of goods or rendering of service is complete. Each invoice shall include, the Purchase Order number, Buyer’s part numbers, and quantities shipped. Undisputed amounts shall be paid within 30 to 45 days of receipt and acceptance of goods or services, unless indicated otherwise in a written agreement between Buyer and Seller.
7. **INSPECTION:** All items are subject to final inspection and acceptance by Buyer at the destination notwithstanding any prior payment or inspection at the source. Acceptance of any items by Buyer shall not be deemed to alter the obligations of Seller or the rights of Buyer and its customers under the Warranty clause or any other provision of the purchase order.

8. **REJECTION:** Buyer shall notify Seller if any items delivered hereunder are rejected for being nonconforming, and, at Buyer's election and Seller's risk and expense, such items may returned to Seller. Seller shall issue Buyer a credit for all costs and expenses with respect to such rejected items or replace or correct rejected items, at Buyer's election.
9. **WARRANTIES:** Seller warrants that all goods and services provided hereunder will conform to Buyer's instructions, specifications, and/or drawings, shall be merchantable, free from defects and will be fit for Buyer's purpose. Seller warrants that all services performed hereunder shall be performed in a competent, workmanlike manner by qualified, trained personnel, free from errors. Seller's warranties shall be enforceable by Buyer and shall be extended to Buyer's customer(s).
10. **FORCE MAJEURE:** Both parties shall be relieved from any and all liability under or in connection with the purchase order to the extent that such liability arises from any failure to perform any of its obligations under or in connection with this purchase order agreement has been or contribute to by a force majeure event or circumstance including acts of God, war, hostilities (whether war be declared or not), civil disturbance, government action, strikes, lock-outs, or labor disputes, computer virus, or any other event or circumstance or cause whatsoever beyond the reasonable control of the party.
11. **RESPONSIBILITY OF BUYER'S PROPERTY:** Unless otherwise provided in the provided purchase order, Seller, upon delivery or manufacture or acquisition by it, of any materials, parts, tooling or other property, the title to which remains with Buyer, assumes the risk of and shall be responsible for any loss or damage
12. **INDEMNITY:** Seller shall indemnify, defend and hold harmless Buyer and its affiliates and their respective officers, directors, agents representatives, employees, subcontractors, customers, users of Seller's goods and services from and against any and all losses, liabilities, damages, claims, demands, suits, actions, proceedings, subrogation, costs and expenses including court costs and attorney fees, arising from or related to Seller's products or services or any willful misconduct or negligence of Seller or an authorized Seller representative. Such indemnification obligations shall survive the cancellation or expiration of the purchase order.
13. **CONFIDENTIALLY:** Supplier acknowledges that it is, may be or will be privy to Confidential Information. Supplier agrees it will use the Confidential Information only in furtherance of its work under the purchase order and shall not transfer or otherwise disclose the Confidential Information to any third party except as provided for herein. Seller shall give access to such Confidential Information solely to those of its employees with a need to have access thereto in furtherance of or in connection with this agreement or as required by applicable law, and take the security precautions to protect against disclosure or unauthorized use of such Confidential Information that Seller takes with its own confidential information, but in no event shall Seller apply less than a reasonable standard of care to prevent such disclosure or unauthorized use. As used herein, "Confidential Information" means any and all information relating to Buyer and any of its respective affiliates that may be received by or be provided to Seller from time to time, including, without limitation, components, parts, information, drawings, specifications, techniques, processes, and other materials, both written and oral, of a secret, confidential or proprietary nature.
14. **COMPETENCY:** Supplier shall implement an ongoing training and competency program to introduce and familiarize all personnel with the requirements for their area of responsibility.

15. **COMPLIANCE WITH LAWS, EXECUTIVE ORDERS, AND REGULATIONS:** Seller warrants that the goods and services supplier hereunder will have been produced or provided in compliance with, and Seller will comply with, all applicable laws, orders, rules, regulations, and ordinances, including without limitations, those that relate to equal employment opportunity, wages, hours, and conditions of employment, discrimination, occupational health and safety, environmental matters, and anti-bribery laws.
16. **TERMINATION:** Buyer may terminate all or any part the purchase order for convenience at any time by written notice to Seller. Upon such termination, Buyer's liability will be limited to reasonable termination charges mutually agreed by Seller and Buyer, provided that Seller must specify any proposed charges in writing within fifteen (15) days after termination. The purchase order shall terminate automatically, without notice, if Seller becomes insolvent or the subject of any proceeding under the laws relating to bankruptcy or the relief of debtors.