

Sypris Technologies Standard PO Terms and Conditions

- 1. ORDER:** This order is Buyer's offer to purchase the goods and/or services described herein ("Deliverables"). Acceptance of this offer is limited to these terms. Buyer objects to any additional or different terms proposed by Seller (in any quotation, confirmation or otherwise), unless Buyer's President agrees in writing. By partial performance, Seller is deemed to accept these terms unconditionally.
- 2. BLANKET ORDERS:** If this order is identified as a "blanket order," Buyer may issue written "Releases" to Seller for specific quantities, services and/or delivery dates for any Deliverables, which will be binding on Seller. Buyer may cancel, adjust, or reschedule any Deliverables shown in any Release, except those designated as "Firm Obligations" on such Release.
- 3. WARRANTY:** Seller warrants that Buyer will enjoy good title to any Deliverables, free and clear of all liens, secured interests or other encumbrances. Seller warrants that Deliverables will conform to any drawings, specifications or other work descriptions furnished by Buyer, and that all Deliverables will be fit and sufficient for the purpose intended. Seller also warrants that all Deliverables supplied will be merchantable, of good material and workmanship, free from defect, and in compliance with all applicable statutes, regulations and standards. These warranties will survive inspection, test, acceptance of and payment for the Deliverables and will run to Buyer and its end users and customers for the duration of Seller's warranties to any third party. Cumulatively with, in addition to, and not in place of, any of its other remedies, Buyer may elect a full refund, correction or replacement in the event of any nonconformance.
- 4. QUALITY; INSPECTION:** Upon request, Seller will supply samples, tests or documents for Buyer's approval prior to performance by Seller. If Seller does not supply any such reports, Buyer may reject, inspect or test any samples and invoice Seller at a rate of \$120 per hour. Buyer or its customer may review any designs, drawings or specifications prepared by Seller under this order and inspect and test Deliverables at any time or place, before or after delivery to Buyer. Such review, inspection or test will not relieve or excuse Seller from any obligation. Without Buyer's written consent, Seller may not assign or subcontract any rights or duties hereunder.
- 5. PRICES:** All prices in this order are "firm," unless Buyer's President agrees in writing otherwise and include packing, transportation, insurance, and federal, state and local taxes. By written notice, Buyer may modify at any time any specification, design, drawing, sample or other work description to which the Deliverables are to conform, any methods of shipment, packaging or place of delivery. If such modification affects the cost of, or the time required for, the performance of any part of the work under this order, Seller may make an advance written claim for adjustment within five (5) days after receipt of the written notice of modifications, in which case Buyer will determine any equitable adjustment to the price.
- 6. DELIVERY:** Seller will comply with all "ship to," "bill to," documentation and/or routing instructions of Buyer or its shipping agent. Title to and risk of loss of the Deliverables will pass to Buyer upon delivery. Seller understands that Buyer establishes its manufacturing schedules in reliance on Seller's timely performance of this order and that time is of the essence in Seller's performance.
- 7. INFORMATION:** If Buyer supplies drawings, data, design, inventions, computer software or other technical information to Seller to facilitate the performance of this order, then such information will remain Buyer's property. Seller will not reproduce, use or disclose such information to others for any purposes other than to perform this order. All information will be returned to Buyer upon demand or completion of this order by Seller, along with all copies and other documents which include or are based on such information. Any information disclosed by Seller is deemed to be disclosed in consideration of this order, and Buyer will be free to use such information.
- 8. PROPERTY:** All property which Buyer owns and delivers to Seller, or pays Seller for, including, but not limited to, tools, dies, jigs, molds, patterns, fixtures and equipment and any replacement thereof, will be and remain the property of the Buyer, as bailor. Buyer may remove or inspect such property at any time and Buyer will have free access to Seller's premises for such purposes. Seller will maintain and repair such property and return it to Buyer upon demand in its original condition, reasonable wear and tear excepted.
- 9. INFRINGEMENT; INDEMNITY:** Seller will defend, indemnify and be liable to Buyer, its successors, assigns, agents, customers and employees against and for any loss, damage, liability or expense (including attorneys' fees, advanced as incurred) arising from any suit, claim, or judgment involving: infringement or alleged infringement of any patent, copyright, industrial design, right or other intellectual property rights in the manufacture, use or disposition of Deliverables; any breach or negligence in performance of this order; or the claims of any subcontractor of Seller.
- 10. DELAY:** Neither Seller nor Buyer will be liable for damages for delay in its performance due to causes beyond its reasonable control. It will be a condition of excuse under this section that the party seeking excuse has notified the other party in writing within two days after the beginning of any such cause. If all or any material portion of Seller's performance of this order is excused under this section for a period exceeding ten days, Buyer may terminate this order without liability to Seller.
- 11. TERMINATION:** Buyer may terminate any order (or any part thereof) at any time without cause upon written notice to Seller. Upon receipt of such notice, Seller will, unless the notice directs otherwise, immediately discontinue any terminated work. Within thirty days after receipt of such written notice, Seller will submit any claim for its expenses resulting from the termination and Buyer will promptly approve a settlement of the claim, as determined in Buyer's reasonable judgment. Buyer may terminate this order (or any part thereof) without liability for cause if (a) after ten days' notice, Seller fails to cure to Buyer's reasonable satisfaction any breach or non-performance under this order, or (b) Buyer has reasonable grounds for insecurity about Seller's ability to fully perform this order satisfactorily, including acceptable quality standards, delivery schedules or financial condition. With written notice, Buyer may extend or renew this order for another six months.
- 12. HAZARDOUS MATERIALS:** Seller will notify Buyer of all "hazardous materials" (as defined by applicable law) which may be used, transported, stored or discharged in connection with this order or otherwise contained in the Deliverables. Seller will comply with all laws, orders and regulations pertaining to any use, transport, storage or disposal of regulated materials.
- 13. RESOLUTION:** This order will be governed exclusively by the internal laws, and in the courts, of Kentucky, including the Uniform Commercial Code (subject to Buyer's right to elect arbitration, under rules reasonably specified by Buyer), for all or any portion of any disputes hereunder. In any dispute arising hereunder, Seller shall reimburse Buyer's attorneys' fees and expenses, as incurred.
- 14. INDEPENDENT CONTRACTOR:** Seller shall be and remain an independent contractor to the Buyer. Seller agrees that its agents and employees are not entitled to any employee benefits provided to Buyer's employees. Seller is solely responsible for all workers' compensation liabilities, pension benefits, and/or health or other insurance benefits provided by Seller to its employees or agents, whether required by law or otherwise. This Agreement shall not be construed as establishing a general agency, employment relationship, partnership, or joint venture relationship between Seller and Buyer. Seller has, and shall have, no power, nor will Seller represent that it has any power, to bind Buyer or to assume or create any obligation or responsibility on Buyer's behalf. Nonetheless, Seller's indemnities shall include any injuries of Buyer's employees due to the negligence or willful misconduct of Seller or its agents.
- 15. ENTIRE AGREEMENT:** This order, including all documents incorporated by reference, is the entire agreement between the parties with regard to the Deliverables and supersedes all discussions or prior agreements. No amendment or modification to this order will be valid unless made in writing and signed by Buyer's duly authorized representative. Seller and Buyer may use electronic means, including computer-based telecommunications systems, to transmit this order, Sellers acknowledgment of this order, Buyer's Release, or other correspondence or information relating to the placing of this order or its performance. The terms in this order supersede all terms in any such electronic transmission.