

FULLER INDUSTRIES, LLC. ONE FULLER WAY, GREAT BEND, KANSAS 67530
BASIC TERMS, CONDITIONS & INSTRUCTIONS – MATERIALS, EQUIPMENT, PARTS, SUPPLIES AND SERVICE

1. **AGREEMENT:** This Purchase Order contains the final and complete agreement between Buyer and Seller, and no agreement or other understanding in any way purporting to modify the terms and conditions hereof shall be binding upon Buyer unless made in writing and signed by Buyer's authorized representative.
2. **ACCEPTANCE:** Acceptance of this Order is expressly limited to the terms and conditions contained herein, including all terms and conditions set forth on the face hereof. Acceptance of this Order by Seller may be made by signing and returning the attached acknowledgement copy hereof by other express acceptance, or by a shipment of goods hereunder. The use by Seller of its own Purchase Order Acknowledgement form shall be deemed solely for the purpose of the Seller's own internal administrative purposes, and any terms and conditions incorporated therein shall not be applicable to the purchases made by the Buyer.
3. **APPROVED SUPPLIERS:** Seller may subcontract work to another supplier provided Buyer is granted the same right of access to the subcontractor as provided by Seller. Prior to subcontracting, Seller shall contact Buyer for approval, and Seller may only use subcontractors approved by Buyer and / or its customers.
4. **PRICE:** This Order shall not be filled at prices higher than those shown on this Order, unless Buyer has authorized such increased prices in writing. Seller warrants that the prices to be charged for articles or services ordered herein are not in excess of prices charged to other customers similarly situated for similar goods of like quality. Except as may be otherwise provided in this Order, the contract price shall include all applicable Federal, State and local taxes in effect on the contract date.
5. **PAYMENT:** Unless agreed to in writing, Seller shall issue a separate invoice for each delivery and shall not issue any invoice prior to the Order's scheduled delivery date, or actual delivery date, whichever is later. Buyer may deduct from payment due to Seller or set-off against any claim by Seller, any amount which is due Buyer for any reason, including any excess transportation charges caused by deviations from Buyer's shipping instructions or the shipping of partial shipments. Buyer will be liable for payment only for quantities ordered and delivered. Over shipments or materials delivered early shall be held solely at Seller's risk and expense for a reasonable time awaiting return shipping instructions or disposition and will be returned at Seller's expense. Seller must notify Buyer of any anticipated or actual delay in delivery, and define the actions taken to minimize delay. If requested by Buyer, Seller shall, at Seller's expense, ship via air or other fast transportation to avoid or minimize delays caused by late shipments.
6. **QUALITY:** Seller shall maintain controls and systems necessary to perform inspections and tests to substantiate product conformance to drawings, specifications or other Order requirements, whether manufactured or processed by Seller or by a sub-tier supplier. Seller shall maintain inspection and test equipment and assure calibration of said equipment to a known national or international standard. Calibration records must be maintained and made accessible to Buyer upon request. Seller must notify Buyer of any nonconforming product or material and obtain approval from Buyer prior to submitting / shipping said product or material. Seller shall control / prevent foreign object damage or contamination during procurement, manufacture, assembly, inspection and shipment.
7. **WARRANTY:** The Seller warrants that all materials or services delivered hereunder shall conform strictly to the requirements of this Order, including specifications, drawings, samples or other descriptions referred to in this Order, shall be prepared and packaged in such a manner to prevent damage and deterioration during shipping, and shall in all respects be suitable for the particular or use for which they are purchased by Buyer, if the purpose is known by Seller. Seller warrants that the goods shall be free of any lien or other adverse claim against title, shall be free from defects in design, material and workmanship. All warranties contained herein shall survive any inspection delivery, acceptance, or payment by the Buyer of the materials or services included herein for a period of one year following date of Buyers acceptance, unless otherwise specified herein. Seller agrees, at its own cost and expense, to defend and hold harmless, the Buyer, from and against any and all claims made against Buyer, based upon, relating to, or arising out of any claimed defects in the Goods or services ordered hereunder.
8. **CHANGES:** Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If such changes cause an increase or decrease in the cost or the time required for performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. Seller is required to contact Buyer for approval of Seller initiated changes to product, process definition, manufacturing location, sub tier supplier or other specified requirements.
9. **CANCELLATION:** Buyer reserves the right to terminate this Order, or any part hereof, at its sole convenience, upon giving Seller at least five days written notice. Buyer has the right to cancel this Order or any part hereof for cause in the event of any default of Seller or if the Seller fails to comply with any of the terms and conditions of this Order. Late deliveries, deliveries of Goods which are defective or do not otherwise conform to this Order shall be causes allowing termination of this order for cause. If Buyer elects to cancel this Order, Buyer shall have the option to take any Goods, work or other items included in this Order whether finished, unfinished or in process, upon such terms as Buyer and Seller may then agree. In the event of termination for cause, Buyer shall not be liable to Seller for any amount, including cancellation charges, and Seller shall be liable to Buyer for any and all damage sustained by reason of the default, which gave rise to the termination.
10. **INSPECTION:** Final inspection shall be on Buyer's premises unless otherwise agreed in writing. No inspection (including source inspection), test approval (including design approval) or acceptance of Goods ordered shall relieve Seller from responsibility for defects or other failures to meet the requirements of this order. If required by Buyer on the purchase order, first article inspections are to be recorded on form AS9102, current revision. Any other format must be compliant with AS9102, or approved by Buyer.
11. **PATENT, TRADEMARK, COPYRIGHT:** Seller warrants that the use of sale of the Goods specified herein will not subject Buyer to charges of patent, trademark, or copyright infringement, and Seller further agrees to hold harmless and defend Buyer and Customers against all claims and proceedings based upon actual or alleged infringement of any patent, trademark or copyright by any Goods, use of any Goods or sale of any Goods specified herein.
12. **INSURANCE:** Seller warrants that all Goods or merchandise included herein are covered by product liability insurance in sufficient amounts to satisfy any claims which might be made against the Buyer by third parties, and Seller agrees to provide Buyer with the current certificates of insurance.
13. **MATERIALS & SPECIFICATIONS:** All materials, including tools, equipment, drawings, specifications and proprietary data furnished or specifically paid for by Buyer shall be the property of the Buyer and are to be returned with product upon completion of the order unless otherwise specified herein. Seller assumes all liability for loss or damage with the exception of normal wear and tear, and agrees to provide detailed statements of inventory promptly upon request. Seller shall consider all information, including drawings and specifications, furnished by Buyer to be confidential, and shall not disclose any such information to any other person, or use such information itself for any purpose other than the performance of this Order, unless Seller obtains written permission from Buyer to do so.
14. **RECORDS & CERTIFICATIONS:** Seller shall maintain records of work performed for Buyer, and shall include the certificate provided to Buyer. And all records that substantiate the certificate. Certifications must reflect that all applicable manufacturing and process specifications called for have been met. All specifications shall be listed on the certificate and in proper sequence.
15. **CALIBRATION SERVICES:** Calibration of equipment shall be performed and be traceable to National Institute of Standards and Technology (NIST) or other national or international standards. Certificates of calibration shall be provided with each calibration.
16. **CUSTOMS COMPLIANCE:** Seller warrants compliance with all applicable U.S. and Canadian Customs and related government regulations. Seller agrees to indemnify and hold Buyer harmless for any liability, cost or expense incurred as a result of Seller's failure to comply with said regulations.
17. **GOVERNING LAW:** Buyer and Seller agree that this order and the acceptance thereof shall be a contract made in the State of Kansas, and the obligations, rights, liabilities and duties arising from this Order shall be governed by the laws of the State of Kansas both as to interpretation and performance.
18. **FAIR LABOR STANDARDS ACT:** All Goods and or services covered by this Order must be produced in compliance with the requirements of the Fair Labor Standards Act of 1938 as amended.
19. **EEO REGULATIONS:** During the performance of this Order, the Seller agrees to comply with Executive Order 11246 of September 24, 1965 (as amended) and with the rules, regulations and relevant orders of the Secretary of Labor, and with all other applicable laws and regulations.