

1. **ACCEPTANCE - AGREEMENT.** Buyer's purchase order ("Order"), in hard copy, electronic or fax form, for the purchase and sale of goods and/or services (the "Articles") together with the terms and conditions contained herein, constitute Buyer's offer to Seller. **BUYER'S ORDER IS CONDITIONAL ON THE TERMS AND CONDITIONS CONTAINED HEREIN, AS MODIFIED BY THE PURCHASE ORDER, AND THE PROVISIONS OF ANY OTHER WRITING INCONSISTENT HERewith SHALL NOT CONSTITUTE A PART OF THE CONTRACT OF PURCHASE.** Acceptance of an Aurizon Ultrasonics Purchase Order ("Order") is required. The Seller shall indicate acceptance, including pricing and delivery, by returning a signed copy of the Order to the Buyer within two (2) business days. However, any conduct by Seller recognizing the existence of an agreement also shall be deemed an acceptance without exception of the terms of this Order. Any addition or other modification in these terms or in quantities, prices or deliveries which is contained in any acknowledgment, invoice, other form or communication from Seller is hereby objected to and rejected, notwithstanding Buyer's acceptance of delivery or payment for goods or services. The Buyer's Order, is intended by the parties to be the final expression of their agreement and is intended also as a complete and exclusive statement of the terms and conditions thereof and that a contract be formed between the parties. No modification of any term or condition will be valid or binding upon Buyer unless approved by Buyer in writing by Buyer's Purchasing Representative or Officer.
2. **BUILD TO DRAW PARTS.** Each Buyer Order including build to draw (BTD) parts and/or assemblies will include current Aurizon drawings. If drawings are not received by the Seller with the Order, it is the Seller's responsibility to obtain such drawings from the Buyer prior to manufacturing the related parts and/or assemblies. Seller must mark all BTD parts and assemblies with the drawing number and revision in the location specified on the drawing (e.g. B999999.9). In addition, Seller may be instructed by Buyer to mark certain BTD parts and assemblies with serial numbers.
3. **CANCELLATION/CHANGES.** Prior to any shipment of Articles, Buyer may, at its option, cancel or change any related order. Buyer will confirm all such change orders in writing as soon as practicable. Upon receipt of notice of such cancellation, Seller will stop work immediately and promptly terminate all orders and subcontracts relating to the cancelled order. Any claim for termination charges must be submitted to Buyer in writing within ten (10) days after receipt of notice of cancellation, and shall be limited to the cost of unique work-in-process or the cost of paying claims to Seller's suppliers for work directly allocable to goods terminated. Buyer will not be responsible for any commitments by Seller in advance of those necessary to comply with the schedules set forth on the applicable purchase order. Upon payment of Seller's claim, Buyer will be entitled to all work-in-process, materials and goods paid for. Buyer may at any time make changes in drawings, designs, specifications, materials, packaging, time and place of delivery, method of transportation or other terms of this Order, which changes Buyer shall document in writing and which Seller shall immediately implement. If any such changes cause an increase or decrease in the cost or the time required for performance, an equitable adjustment shall be reflected in Buyer's written change notice, without which Seller has no authority to proceed. Seller agrees to accept any and all changes subject to this paragraph.
4. **DELIVERY.** Time is of the essence for delivery of goods and completion of services. For late delivery or completion, in addition to its other rights, Buyer may return goods or terminate all or any part of this Order and charge Seller with all costs, expenses and damages associated with such return or termination. A packing list must accompany each shipment, with description of Articles, quantity and purchase order number. Buyer's count shall be final on all shipments not accompanied by a packing list. All cartons and Bills of Lading must be marked with order number, complete shipping address and Seller's name. All shipments must be packed, marked and described on Bill of Lading so as to obtain the lowest applicable rate, unless otherwise specified by Buyer. All goods shall be shipped prepaid or F.O.B. origin unless otherwise specified on the applicable purchase order.
5. **QUALITY AND INSPECTION.** All Articles furnished must be of the best quality suited for the particular situation. Seller shall make no substitutions without Buyer's prior written consent. All Articles purchased will be subject to inspection and approval of Buyer after delivery at destination, not withstanding prior payment to obtain cash discount, unless otherwise agreed upon in writing. Articles rejected by Buyer shall be returned to Seller at Seller's sole risk and expense, or held for disposition at risk and expense of Seller. No replacement of rejected Articles shall be made without Buyer's express consent. Buyer's inspection of Articles shall not limit Buyer's ability to revoke acceptance or pursue other remedies in the event that defects are later discovered. Payment shall not constitute acceptance of Articles.
6. **FORCE MAJEURE.** Neither party shall be liable for any failure to perform or delay caused by war, fire, flood, natural accidents, government act, order or regulation or other similar events beyond its control, provided such party promptly notifies the other in writing of any such delay.
7. **PERFORMANCE OF WORK.** If the applicable purchase order calls for work to be performed by Seller, all work performed and all materials used in connection therewith shall be at the risk and expense of and shall be replaced by Seller in the event of any damage or destruction thereof prior to delivery to and acceptance by Buyer. If the applicable purchase order calls for work to be performed by Seller upon any premises owned or controlled by Buyer, Seller will keep the premises and the work free and clear of all mechanics liens and will furnish Buyer with waivers and such other evidence of payment as Buyer may request. Whenever Seller shall, by virtue hereof, have in its possession any property belonging to Buyer, Seller shall be deemed an insurer thereof and shall be responsible for its safe return to Buyer.
8. **CONFIDENTIALITY.** Seller shall not disclose to any person any information received from Buyer, if such information has been identified by Buyer as confidential, and shall not use such information for any purpose other than to perform Seller's obligations under this contract. The previous sentence shall not apply to information that is otherwise publicly available or that Seller receives from a third party not subject to confidentiality restrictions. Upon termination of this contract or any individual purchase order, Seller shall return to Buyer, upon Buyer's request, all drawings, blueprints, descriptions and other information or material received from Buyer.
9. **PATENTS.** Property Rights: Seller shall indemnify, hold harmless, and, if requested by Buyer, defend Buyer against any and all claims, including but not limited to claims of Buyer's customers, that goods or services sold hereunder infringe any U.S. or foreign letters patent, copyright, trademark or any other rights and against any and all claims of unfair competition or trade secret violations, provided Buyer gives Seller prompt notice of any claim or proceeding and, at Seller's expense, gives Seller necessary information and assistance; and Seller shall defend, indemnify and hold Buyer and its customers harmless against any and all expenses, losses, royalties, profits, damages and costs (including attorneys' fees) resulting from any such claim or proceeding, including any settlement. Buyer may be represented by and actively participate through its own counsel in any such claim or proceeding if it so desires.

10. **WARRANTIES.** Seller warrants that all goods and services delivered shall:

- (a) be new and of first quality;
- (b) be merchantable and free from defects;
- (c) conform to specifications, descriptions and other conditions of this Order and the highest standards of the trades or professions involved;
- (d) be performed by competent, trained and fully-qualified personnel in a proper and workman-like manner;
- (e) be free from liens and encumbrances with good title conveyed upon payment of the purchase price;
- (f) be fit and safe for their intended purpose; and
- (g) be approved by qualified licensed professionals in the event professional design work is involved.

Seller also warrants that it shall obtain and assign or otherwise provide to Buyer the benefits of warranties and guarantees provided by manufacturers or suppliers of material or equipment incorporated into the goods or services, and shall perform its responsibilities so that such warranties or guarantees remain in full effect. Seller agrees to promptly replace or otherwise correct, without expense to Buyer, any of the goods or services which do not conform to the foregoing warranties. In the event that Seller fails to promptly make such replacement or correction, Buyer may cause such replacement or correction to be made and charge Seller for all expenses associated therewith. The foregoing warranties and remedies shall be in addition to any warranties or remedies provided by law and shall survive inspection, test, acceptance, and payment.

11. **ASSIGNMENTS AND SUBCONTRACTING.** Seller may not subcontract any part of this Order beyond that customary in the conduct of its business without Buyer's prior written consent. Seller may not assign this Order or amounts due hereunder without Buyer's written consent.

12. **INDEMNIFICATION.** Seller shall defend, indemnify and hold harmless Buyer against all damages, claims, costs and expenses (including attorneys' fees) related to claims by third parties arising out of or resulting from the goods or services purchased hereunder, or from any act or omission of Seller, its agents, employees or subcontractors or which otherwise arises as a result of Seller's performance of this Order including, without limitation, all liabilities to its employees, agents and subcontractors including, liability for personal injury or death arising out of or resulting from providing such goods or the performance of such services, except to the extent any such liability, damages, claims, costs and expenses are proximately caused by negligent act or omissions or intentionally tortious conduct of Buyer.

13. **INDEPENDENT CONTRACTOR.** Seller, its subcontractors and other suppliers, shall at all times be independent contractors and no express or implied representations to the contrary shall be made. Seller shall at all times retain exclusive liability for wages and all employment-related obligations due its employees and shall indemnify Buyer for any liability arising therefrom.

14. **GOVERNING LAW.** This contract shall be governed by Wisconsin law, including the Uniform Commercial Code. Wisconsin shall be the exclusive venue for any suit or legal proceeding arising out of this contract.

15. **COMPLIANCE.** All Articles furnished on this contract must have been produced and sold in compliance with all Federal, state and other laws.

16. **ENTIRETY.** The terms and conditions set forth in this contract constitute the entire agreement between the parties hereto and no modification hereof shall be binding unless mutually agreed to in writing. The receipt by Buyer of any quotation form, sales confirmation or other proposal shall not, in the absence of a written acknowledgement by Buyer expressly agreeing to same, have the effect of changing in any manner or adding to the terms and conditions hereof.