

## Purchase Order Terms & Conditions for the Dalton Corporation

These terms and conditions (“Terms”) are issued on behalf of the Dalton Corporation identified as the buyer on the purchase order (“Buyer”). These terms apply to all purchase orders issued to you as the seller (“Seller”) for parts, goods, materials and services (collectively “Goods”). These Terms, purchase orders and other associated purchasing documents applicable to a particular transaction shall be valid without signature, unless otherwise provided herein. These Terms can be found at [www.daltoncorporation.com](http://www.daltoncorporation.com).

1. **Acceptance.** Commencement of delivery or other indications of acceptance by Seller shall result in a firm contract containing all terms and conditions on this form. The only effect of Seller’s acknowledgment form shall be to accept this order on Buyer’s terms and conditions contained herein.
2. **Pricing.** The price for the Goods is that set forth on the purchase order and shall include all direct, indirect and incidental charges related to the sale and delivery of the Goods.
3. **Additional Agreements.** If the Goods include construction, installation, repair or other services performed on Buyer’s premises, Seller shall comply with the Contractor Environmental, Health, and Safety Rule Notification and any additional training required by Buyer prior to performing such services. Any written agreement relating to the Goods entered into prior to a purchase order, such as non-disclosure, bailment, long-term supply or consignment agreements (“Earlier Agreement”) will continue to apply after issuance of a purchase order. These Terms shall be read together with the Earlier Agreement, except that, to the extent these Terms conflict with the Earlier Agreement, the provisions of the Earlier Agreement shall control.
4. **Delivery.** Time of delivery or rendering of Goods is of the essence. Seller is required to achieve 100% on time delivery. If Seller has knowledge that delivery may be delayed, Seller will immediately give Buyer written notice. Delivery is deemed to be complete once Buyer actually receives and accepts the Goods. Acceptance of any part of an order will not bind Buyer to accept future shipments nor deprive Buyer of the right to return Goods already accepted. Buyer shall not be obligated to accept goods in excess of the quantity indicated on the purchase order.
5. **Conforming Goods.** Goods shall conform in all respects to the requirements of the purchase order and these Terms. Buyer reserves the right to inspect the Goods during any stage of their manufacture, construction, preparation, delivery and completion, upon reasonable advance notice to Seller. Buyer may reject any Goods for defects or defaults revealed by any such inspection, analysis or subsequent manufacturing operations even after Buyer has accepted such goods. Seller shall bear the costs of returning nonconforming Goods.
6. **Recalls.** In the event that Buyer’s products included within the Goods are subject to a voluntary decision or government agency order to recall, replace, repair or make refunds (a “Recall”), Seller shall cooperate and assist Buyer in such Recall. In the event that the Goods, or any product with which the Goods have been packaged, consolidated or commingled, are the subject of a Recall, Seller shall be responsible for all reasonable costs and losses incurred by Buyer in connection with such Recall and for initial contact and reporting of the Recall to any government agency.
7. **Risk of Loss.** Title and risk of loss shall remain with Seller until Buyer accepts and receives the Goods, unless Buyer has paid for Goods in advance, in which case title shall pass upon payment. Title and risk of loss for return shipments shall pass to Seller upon Buyer’s delivery of the nonconforming Goods to a carrier.

8. Warranties. In addition to any warranties that Seller has provided with the Goods, Seller warrants that the Goods (a) are free of defects in materials, workmanship or design and conform to all applicable specifications; (b) are free and clear of all liens and encumbrances; (c) are free of infringement or violation of any copyright, trademark or other intellectual property rights; and (d) conform to all other representations or specifications made by Seller or the manufacturer. Seller further warrants that any services will be performed in a timely manner and conform to the highest industry standards, and expressly warrants that all Goods are fit for the particular purposes Buyer intends. These warranties shall survive inspection, delivery, acceptance and payment.
9. Compliance with Laws. All Goods and services shall be produced, manufactured, delivered, supplied and performed in compliance with all applicable laws, ordinances, rules and regulations, including, but not limited to, the Fair Labor Standards Act of 1938, as amended, and all Occupational Health and Safety Act regulations. All hazardous materials supplied by Seller shall comply with all applicable government regulations, and Seller shall provide Buyer with appropriate Material Safety Data Sheets prior to the first shipment of Goods. Seller shall notify Buyer of any inherent hazard related to any material incorporated within the Goods.
10. Confidentiality. All information furnished by Buyer or any other person acting on Buyer's behalf and all information learned about Buyer or its operations through performance of an order or these Terms is confidential. Seller shall not disclose any such information to any other person, or use such information for any purpose other than performing any order or the Terms without Buyer's prior express written consent. If a separate Confidentiality Agreement was entered into prior to the purchase order or is entered into in the future, the terms of that Confidentiality Agreement shall control.
11. Termination. Buyer reserves the right to cancel all or any part of a purchase order, without liability, if Seller: (a) repudiates or breaches any of the terms of such order, including the warranties, (b) fails to perform as specified by Buyer, or (c) fails to make progress so as to endanger timely and proper delivery of Goods, and, if capable of cure on a timely basis, does not correct such failure or breach within ten (10) days (or such shorter period of time if commercially reasonable under the circumstances) after receipt of written notice from Buyer specifying such failure or breach. Buyer may terminate a purchase order, in whole or in part, upon written notice to Seller if Seller experiences a change of control or a sale of a substantial portion of its assets. If Seller becomes insolvent or if a petition under any chapter of the bankruptcy law is filed by or against Seller or if Seller makes a general assignment for the benefit of creditors or if a receiver is appointed for Seller, Buyer may terminate any purchase order and take possession of the Goods in whatever stage of completion they may be, immediately obtain custody of all proprietary and confidential information and all special tooling or bailed property, and contract with or employ any other person or persons to finish the Goods and collect from Seller any additional expenses or damages incurred. In each case, Seller shall be liable for all costs incurred by Buyer, including reasonable attorneys' and other professionals' fees.
12. Excusable Event. Except with respect to an obligation to pay money, neither party will be liable for a delay or inability to perform directly due to an excusable event outside the control of the party claiming the event. The following events shall be excusable events: acts of terrorism, war, riots, insurrection, civil commotion, fire, flood, earthquakes, storm, and embargo. Excusable events do not include delays or nonperformance of a subcontractor, equipment breakdown or

shutdown for maintenance, or the inability to acquire raw materials, energy, parts, or any other item required to complete the purchase order. The party claiming an excusable event will provide the other with written notice of the event's occurrence and termination as soon as possible.

13. Indemnification. To the fullest extent permitted by law, Seller shall defend, hold harmless and indemnify Buyer and its affiliates, subsidiaries, associates, directors, officers, employees, and agents from and against any liability and expenses (including reasonable attorneys' and other professionals' fees) arising from or in connection with any damages, injuries or third party claims or demands to recover from personal injury, death, property damage or other loss caused by or arising out of any of the Goods supplied or services performed on or off Buyer's premises, or caused by or arising out of any breach of these Terms, except to the extent such injury, damage or loss results from Buyer's own negligent actions or misuse of the Goods.
14. Limitation of Liability. Seller's attempts to (a) disclaim any theory or grounds upon which Buyer or its customers might recover against Seller, (b) disclaim any kind or class of damages which Buyer or its customers might recover against Seller, or (c) establish contract time limitations periods within which Buyer or its customers are obligated to assert claims against Seller, are hereby rejected and will not be effective.
15. Assignment. Any purchase order is in reliance upon Seller's personal performance of the obligations imposed. Seller agrees not to assign a purchase order or delegate the performance of obligations without Buyer's prior express written consent. Any assignment or delegation without Buyer's previous written consent will be deemed a breach and/or cancellation of the purchase order. Buyer's consent to an assignment shall not waive the right to recover from Seller and/or its assigns for any claim arising out of the purchase order.
16. Severability. Any term or condition that is declared unlawful or unenforceable by a court of competent jurisdiction will not apply. The unenforceability of any such term or condition will not affect the enforceability of any other term or condition.
17. Applicable Law. The validity, interpretation and performance of these Terms shall be governed by the laws of the State of Indiana, without regard to conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to these Terms.