



Terms and Conditions – ISO Document BPI3130

This Purchase Order constitutes Buyer's offer to Seller, and becomes a binding contract on the terms and conditions set forth herein when accepted by Seller either by acknowledgement or the commencement of performance hereof. No revisions of this order shall be valid unless in writing and signed by an authorized representative of Buyer, and no condition stated by Seller in

accepting or acknowledging this order shall be binding upon Buyer if inconsistent with or in addition to the terms and conditions herein unless expressly accepted in writing by Buyer. As used herein, and where applicable, the term "good(s)" is intended to include services.

2. If this Purchase Order is issued in connection with a separate written contract between Buyer and Seller and there is a conflict between the provisions of such written contract and this Purchase Order, then the provisions of the written contract shall apply.

3. This order shall be deemed accepted by Seller's commencement of work on the goods or services ordered, shipment of such goods or completion and return of acknowledgement (copy 2 of this purchase Order) or other written acknowledgement, whichever occurs first.

4. (a) The Buyer may terminate work under this order in whole or in part at any time by written notice, whenever, without the fault of the Buyer, a contract between Buyer and any third person requiring for its performance articles or services of the kind or type covered by this order is terminated, in whole or in part or amended to eliminate or reduce such requirements. Such notice shall state the extent and effective date of such termination; and, upon the receipt thereof, the Seller will, as directed by the Buyer, stop work under this order and the placement of further orders or subcontracts hereunder, terminate work under order and take any necessary action to protect the property in the Seller's possession in which the Buyer has or may acquire an interest.

(b) If work is terminated under paragraph (a) above, the Buyer, in addition to making prompt payment of amounts due for articles delivered or services rendered prior to the effective date of termination will pay to the Seller the contract price for all articles previously paid for or services which have been completed in accordance with this order and not previously paid for. Payments made under this paragraph (b) shall not exceed the aggregate price specified in this order, less payments otherwise made or to be made.

5. This Purchase Order may be terminated in whole or in part by written notice to Seller if Seller fails to make delivery of the goods to be supplied hereunder within the time specified on the face page hereof whether or not such failure on the part of Seller shall be due to events beyond the control of Seller, it being hereby agreed that it shall be Seller's responsibility to insure against any events which may cause such failure, or if Buyer rejects any part of the goods supplied hereunder or if Seller makes an assignment for the benefit of creditors, becomes insolvent or subject to proceedings under any law relating to bankruptcy,

insolvency or the relief of debtors. In the event of the termination of this Purchase Order for any reason, any shipments made by Seller after the date of termination of this Purchase Order may be returned at the Seller's expense, including transportation both ways and all handling charges.

6. Notwithstanding the right of Buyer to reject the goods supplied hereunder, any warranties which Seller may provide the ultimate purchasers of the goods supplied hereunder and any partial or full payment for the goods supplied hereunder by way of documentary credits or otherwise, Seller warrants to Buyer and to any companies owned or controlled by Buyer (in addition to any

warranties and other rights available at law) that Seller has and will have the right to sell the goods supplied hereunder, that Buyer or companies owned or controlled by Buyer, as the case may be, will have quiet possession of such goods and that each item of goods supplied hereunder and each component part and the packaging thereof will be identical to samples provided to Buyer, in compliance with all specifications and drawings relating thereto, shipped in containers conforming to Buyer's specifications (or, in the absence of such specifications in recognized standard containers) and such goods are of merchantable quality and free from faulty workmanship, materials or design (except to the extent that such design is furnished by Buyer), reasonably fit for the purposes for which such goods are intended to be used by the Buyer and free from any lien, claim or encumbrance of any nature or kind and that such items, component parts and packaging will not be in violation of or infringing any applicable U.S., Canadian, Mexican, provincial, state or other statute, ordinance, act, code, rule, standard, regulation or administrative order or any patent, trademark or copyright.

7. Payment for the goods delivered hereunder shall not constitute acceptance thereof. Buyer shall have the right to inspect such goods and to reject any or all of said goods which are in Buyer's judgment defective. In the event of such rejection, in addition to any rights to damages available to Buyer at law, Seller agrees to repay to Buyer the purchase price of any goods rejected. Goods so rejected and goods supplied in excess of quantities called for herein may be returned to Seller at Seller's expense, and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking, storing and reshipping such goods and Buyer shall have the right to cancel any other orders with Seller for similar goods. In the event Buyer receives goods whose defects or non-conformity is not apparent on examination resulting in deterioration of its finished product, Buyer reserves the right to acquire the replacement as well as payment of damages.

8. There is no charge for packing, cartage or delivery to the place specified on the face page hereof or any other charge in excess of the total cost unless otherwise stated on the face page of this Purchase Order. All articles are to be suitably packed or otherwise prepared for shipment so as to secure the lowest transportation and insurance rates. Each package must contain a packing slip showing the contents thereof and Buyer's Purchase Order number.

9. (a) Seller agrees to protect, defend, hold harmless and indemnify Buyer and companies owned or controlled by Buyer from and against liabilities, damages, costs and expenses including legal fees in connection therewith arising out of or in any way related to the death or injury to person or damage to property suffered by any person, corporation or other entity claimed to have resulted from the use of or any alleged defect in any goods supplied hereunder or from the failure of such goods to comply with any specifications or drawing relating thereto or with the warranties of Seller, express or arising by law, or arising out of the alleged violation of any U.S., Canadian, Mexican state, provincial, or other statute, ordinance, act, code, rule, standard, regulation or administrative order relating to any goods supplied hereunder or to the manufacture, purchase or sale thereof or arising from any lien, claim or encumbrance or any nature of kind relating to any goods supplied hereunder.

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(b) Upon notice by Buyer, Seller will defend any action brought against Buyer or any company owned or controlled by Buyer based upon any claim that any goods supplied hereunder or any design, drawings, photographs, data or other documents or materials associated or used in connection with any such goods infringes any patent, trademark or copyright (except to the extent that such design, drawings, photographs, data or other documents or materials have been furnished by Buyer). Seller agrees to indemnify Buyer and companies owned or controlled by Buyer from and against all liabilities, damages, costs and expenses including legal fees in connection with any such claim whether or not such action is defended by Seller.

10. Tooling, equipment or materials furnished by Buyer to Seller for use in filling this order shall remain Buyer's property while in seller's possession and shall be returned promptly to Buyer on demand. Seller shall maintain such property in good and serviceable condition and use it only to fill Buyer's order(s). Seller shall hold property at its own risk and insure at Seller's expense against loss or damage from fire, casualty or theft while in Seller's possession.

11. No assignment or sub-letting of this order in whole or in part may be made without the Buyer's written consent.

12. Seller agrees and warrants that goods shipped to Buyer under this contract will be produced in compliance with all applicable requirements of the Fair Labor Standards Act, as amended, and of regulations and orders issued thereunder.

13. The seller (lessee, subcontractor, etc.) agrees, in connection with the performance of work under this order (lease, contract, etc.), not to discriminate against any employee or applicant for employment because of race, creed, color, religion, gender, age, national origin, disability, veteran status, or on the basis of any other legally protected characteristic. The Seller, also agrees to comply with the applicable provisions of any federal or state law and all executive orders, rules and regulations issued thereunder, whether now or hereafter in force; and any provisions, representations, or agreements required thereby to be included in the contract resulting from acceptance of this order are hereby incorporated by reference, including without limitation to provisions of Section 202 of Executive Order 11246, the provisions of the Rehabilitation Act of 1973, as amended, and the provisions of Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended.

14. The remedies herein shall be cumulative and additional to any other or further remedies provided in law or equity. No waiver of a breach of any provision of this order shall constitute a waiver of any other breach, or of such provision.

15. (a) Ownership of and title to all goods purchased by Buyer from Seller shall pass to Buyer upon delivery thereof to Buyer at its place of business or upon Buyer picking up or taking delivery of the goods at Seller's place of business.

(b) All risks of damage to or loss, destruction or deterioration of the goods supplied hereunder shall be borne by Seller until such goods shall have been delivered to the Buyer at the place specified on the face page hereof, it being hereby agreed that it shall be Seller's responsibility to insure against such risk until the time of the delivery of the goods to Buyer as aforesaid.

16. Time of delivery shall be of the essence of this Purchase Order.

17. If any provisions hereof shall be found or deemed to be illegal or invalid, the remainder of this Purchase Order shall not be affected thereby.

INSTRUCTION CODES

"**This Purchase Order Has Been Cancelled**" - will be printed when the entire Purchase Order has been cancelled.

"**Deleted**" - Designates line item is deleted. "Deleted" will be printed next to the line number.

SALES & USE TAX CODES

A. Subject to state or use tax, including local tax where applicable. Add tax as separate item on your invoice.

B. Subject to North Carolina sales tax at the mill machinery rate, purchases covered by this order for use as mill machinery or mill machinery parts and accessories. Add tax as separate item on our invoice.

C. Subject to North Carolina Motor Vehicle Sales tax rate, purchases covered by this order are considered motor vehicles. Add tax as separate item on your invoice.

D. Do not bill sales or use tax. We have a direct pay permit issues by the Department of Taxation and will pay tax on taxable items directly to the State.*

E. Not subject to state or local sales or use tax. Purchases covered by this order are for resale.

F. Not subject to state or local sales or use tax. Purchases covered by this order will enter into or become an ingredient or component part of the product for sale.

G. Not subject to state or local sales or use tax. Purchases covered by this order are for use or consumption in industrial processing.

H. Not subject to state or local sales or use tax. Purchases covered by this order are for other reasons.

*Laurinburg, NC facility has certificate of authority to buy tangible personal property subject to sales and use tax without payment of tax to vendors.

Exempt to vendor from Ohio sales tax under Direct Pay Permit 98002317.

Direct pay permits not applicable to construction contracts covering real property.

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Authorized Signature

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