



PURCHASE ORDER TERMS AND CONDITIONS

1. **Terms. The terms and conditions of this Purchase order.**

The delivery of goods pursuant to this Purchase Order shall constitute acceptance by Seller of this Purchase Order subject to, and in strict accordance with, all of its terms and conditions. To the extent that terms appearing on the face of this Purchase order are inconsistent with those set forth herein, the terms on the face shall govern.

2. Specifications. All goods furnished pursuant to this Purchase Order shall strictly conform to the specifications, descriptions forth drawings and QAP's. No change in this written application to, and subsequent written of, Buyer.

3. Time and Place of Delivery; Buyer's Inspection; Acceptance. Time is of the essence of this Purchase Order. Delivery will be made as specified on the face of this Purchase Order. Buyer reserves the right to reject goods and to cancel all or any portion of this Purchase Order in the event of failure to deliver at the time and place specified. Buyer's acceptance of any part of the shipment not delivered as specified herein shall not obligate Buyer to accept the remainder of that shipment or any future shipments. Seller is required to provide a COC, they will be delivered to Buyer with the delivery of any goods under this Purchase Order. All goods shall be received subject to Buyer's inspection and acceptance, and subject to Buyer's right to reject and return at Seller's expense goods which fail to conform strictly to the requirements of this Purchase Order. All materials are subject to inspection and testing by Buyer at manufacturer's plant.

4. Shipment. Goods must be shipped by the particular route, method and carrier as stated in this Purchase Order. In the event that Seller fails to ship goods on or before any scheduled shipping date, buyer shall have the right to specify a more rapid method of shipment than was specified originally and Seller shall bear, at no additional cost to Buyer, and increased cost occasioned thereby.

5. Packing, Marking, and Invoicing. a packing list shall be included with each shipment. Individual invoices shall be issued for each separate shipment. Buyer shall not be charged for packaging, boxing, crating. All invoices, packing lists, bills of lading, and each separate package within each shipment shall clearly reference piece number. Buyer's Purchase Order number and Seller's packing slip number. Partial shipments must

be identified as such on the shipping memoranda and invoices.

6. Payment; Waiver of Liens. Payment will be made following receipt and acceptance of the goods and receipt, in proper form and substance, of all documentation required by this Purchase Order.

7. Termination. Buyer may at any time, without cause, terminate this Purchase Order in whole or in part upon written notice to Seller. Buyer agrees to purchase all work in process.

8. Confidentiality. Seller and its directors, officers, employees and agents shall not disclose to any third party any information pertaining to the goods provided or services performed hereunder, or pertaining to Buyer's business or operations which Seller obtains or has access to in connection herewith, without the prior written consent of Buyer.

9. Liquidated Damages & Default. In the event the vendor provides a defective part that does not pass the Government's quality inspection, and is not corrected within 10 days of written notice (email), vendor will not be paid for that product or vendor will have to reimburse Prime Contractor for the progress payment. Any damages caused by these events will be the responsibility of the negligent vendor up to 100% of the Prime Contractor's liability, including loss incurred under the contract that was directly attributable to the negligent party. Damages will be considered as liquidated in the following cases: 1) When the damages are uncertain, and not capable of being ascertained by any satisfactory measure. 2) When the Prime Contractor goes under lawsuit because of the defaulting party. 3) Defaulting Products. 4) Costs incurred by Prime Contractor that disables the Prime Contractor to deliver the final product to the Government on time. Vendor will minimize its liquidated damages by abiding by the dates set forth in the Purchase order.

10. Payment Terms. Rimeco Products, Inc. will pay each of its Subcontractors within 10 business day after receiving payment from the Government for payments received on Prime Contract.