

KENT DISPLAYS INC.  
PURCHASE ORDER TERMS AND CONDITIONS

**1. THE ENTIRE CONTRACT** THE TERMS AND CONDITIONS SET FORTH BELOW AND ON THE FACE SIDE HEREOF CONSTITUTE THE EXPRESSION OF ALL THE TERMS OF THIS AGREEMENT AND A COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN SELLER AND KENT DISPLAYS. ALL REPRESENTATIONS, PROMISES, WARRANTIES OR STATEMENTS BY ANY AGENT OR EMPLOYEE OF KENT DISPLAYS THAT DIFFER IN ANY WAY FROM THE TERMS AND CONDITIONS HEREOF SHALL BE GIVEN NO EFFECT OR FORCE. Any additional, contradictory or different terms contained in any initial or subsequent order or communication from Seller pertaining to the Goods described on the face hereof are hereby objected to. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting acquiescing party has knowledge of the nature of the performance and the opportunity for objection. All orders are subject to the approval by KENT DISPLAYS at its offices in Kent, Ohio. No waiver or alteration of the terms herein shall be binding unless in writing, signed by the President of KENT DISPLAYS.

**2. DELIVERY** Time of delivery is and shall remain the essence of the P.O. Default in delivery caused by acts of God and other causes beyond Seller's control and without its fault and negligence shall not make Seller liable therefor, provided Seller immediately notifies Purchaser of said event and the estimated delay in delivery. Purchaser shall have the right to cancel all or any portion of this P.O. which has not been delivered on time. Acceptance by Purchaser of a later delivery of either a whole or portion of this P.O. shall not constitute a waiver of its claim for damage caused it by the late delivery not its rights to cancel the remaining portion of the P.O. If deliveries are behind schedule, Purchaser may request Seller to ship by express. In such event, such deliveries shall be made by express and Seller shall pay the difference between the freight and express rate.

**3. SHIPPING AND PACKING** All items ordered shall be suitably packed and marked for shipping. Purchaser shall not be charged for any packing, marking or boxing not separately itemized hereon. Seller shall be liable to Purchaser for any loss or damage resulting from Seller's failure to provide adequate protection during shipment. Purchaser and Seller shall assist each other, including the procuring of any documents of information, in filing and/or prosecuting any claims against carriers of others arising out of any such shipment.

**4. INVOICES** Invoices (except dating) are paid less cash discount on the face hereof. Taxes, if any, must be separately itemized. Date for calculation of cash discounts shall be (i) date material is received, (ii) date P.O. scheduled delivery; or (iii) date a proper invoice is received, whichever is later.

**5. STANDARD PAYMENT TERMS** Net 60 days. If payment terms other than Kent Displays Inc. standard payment terms have been negotiated they must appear on the signed Kent Displays Purchase Order to be valid.

**6. OVER and UNDER SHIPMENTS** Materials shipped on this P.O. must not be in excess of quantity ordered unless authorized by Purchaser in writing. Overshipments may be returned at Seller's expense. Undershipments are allowed only with Kent Displays Inc. prior written approval.

**7. WARRANTIES** As a minimum the Seller warrants for the period of 18 months that all goods supplied hereunder shall:

- a) Be free and clear of all liens and encumbrances, good and merchantable title thereto being in the Seller;
- b) Be free from any defects in design, material or workmanship and of good and merchantable quality;
- c) Confirm to Purchaser's drawings and specifications, if any, whether set forth herein or in any documents attached to or referred to herein, and to any sample approved by Purchaser;
- d) Be fit and safe for all purposes for which the same are purchased hereunder, and of which Seller shall have been informed by Purchaser or shall be otherwise aware; and
- e) Comply and have been produced, processed and delivered in conformity with all applicable Federal, State, or other laws, administrative regulations and orders.

The forgoing warranties shall survive inspection, delivery and payment. Purchaser may at his option 1) demand that the Seller refund the original purchase price in full, or 2) arrange for such goods to be repaired or replaced by a third party at Seller's expense. Any repaired or replacement goods will be delivered by the Seller free of charge. The remaining warranty will convey to replaced or repaired goods.

**8. PROPRIETARY INFORMATION** All specifications, drawings, designs, know-how, trade secrets, customer lists, sales information, technical data, inventions, or other proprietary information which are disclosed by Purchaser to Seller, or which are developed by Purchaser or Seller in connection with the subject agrees to retain all such proprietary information in confidence and not to disclose it to other parties. Seller agrees to disclose promptly to Purchaser any proprietary information developed in connection with the subject matter of this contract and to transfer all right, title and interest in and to such proprietary information to Purchaser, including any applications for Letter Patents or other registrations thereon prepared at Purchaser's expense.

**9. MATERIAL FURNISHED BY PURCHASER** Any material, tools and equipment furnished by Purchaser on other than a charge basis in connection with the P.O. shall be deemed to be bailed to Seller for mutual benefit and title thereto shall remain with Purchaser. Seller shall be responsible for any loss or damage thereto and shall keep all materials, tools and equipment in which Purchaser has an interest insured against risk of loss or damage, for their value at Seller's expense which they are in Seller's possession. Any remaining material, tools, and equipment shall be immediately returned to Purchaser F.O.B. Seller's facility, properly packed, upon receipt of Purchaser's written directions.

**10. PRICE** If price is omitted it is agreed that Seller's price will be Seller's lowest prevailing price provided such price is not higher than previously quoted to or charged Purchaser. If the price is to be higher, Seller must first obtain Purchaser's written agreement to the higher price. All prices are F.O.B. KENT DISPLAY's facility, Kent, Ohio.

**11. INDEMNITY, INSURANCE** Seller, its heirs, successors, assigns and legal representatives, shall forever protect, indemnify and save harmless Purchaser, its subsidiaries and affiliated companies, their successors, assigns, customers and users of their products against all damages, claims, suits at law or in equity, demands or losses of any kind arising out of, or alleged to have arisen out of, or in connection with Seller's performance or lack of performance of this contract. This obligation shall include the costs arising out of or in connection with Purchaser's voluntary or involuntary recall, recovery or withdrawal of products in compliance with any Federal, State or local laws, orders or regulations.

12. PATENTS, TRADE-MARKS AND TRADE-NAMES Seller agrees to indemnify and save harmless the Purchaser, its officers, agents, successors, assigns and customers against all damages, claims, demands, attorney's fees and costs of any kind for actual or alleged infringement of any tradename, trademark, copyright and patent or patents (unless the goods ordered are of Purchaser's design) because of the manufacture, possession, sale or use of any material specified herein.

13. TERMINATION Purchaser may terminate this P.O. in whole or in part, by written notice of termination whereupon Seller will terminate pursuant to the notice all work started under the P.O. Seller will promptly advise Purchaser of the quantities of applicable work and material on hand or purchased prior to termination and the most favorable disposition that Seller can make thereof. In no event, shall Purchaser's liability exceed the price of the work being performed under the subject P.O.

Payment made under this clause will constitute Purchaser's only liability in the event this P.O. is terminated as provided herein. Seller's acceptance of such payment will constitute an acknowledgment that Purchaser has fully discharged such liability. In addition to all rights and remedies conferred on the Purchaser hereunder, that Purchaser shall have all of the rights and remedies provided by the Uniform Commercial Code. The provisions of this clause will not apply to any termination by Purchaser for default by Seller or for any other cause allowed by law or under this P.O.

14. TERMINATION FOR DEFAULT Purchaser shall have the unrestricted right to terminate this P.O. upon the happening of any one or more of the following events: (1) Seller's insolvency or commission of an act of bankruptcy; (2) filing a voluntary or involuntary petition of bankruptcy by or against Seller; (3) appointment of a receiver for Seller by any court of competent jurisdiction; (4) Seller's failure to make deliveries within the time specified by this P.O.; or (5) Seller's failure to perform any of the above enumerated events shall not affect the right of Purchaser to terminate under this paragraph.

15. COMPLIANCE WITH THE LAW Seller agrees that the goods and/or services produced and/or rendered pursuant to this P.O. will be produced and/or rendered in accordance with all applicable Federal, State and local laws, orders and regulations as they may be issued and/or amended from time to time.

16. CHANGES Purchaser may at any time make changes in the drawings, specifications, samples, quantities, delivery schedules, shipments or other description as to any article, material and work covered by this P.O. then an equitable adjustment shall be made by mutual agreement, reduced to writing and executed by authorized representatives of both parties. Any claim by Seller for adjustment under this clause must be asserted in writing within 30 days from the date of receipt by the Seller of the notification of change. Changes to the product, process definition, raw materials, or construction thereof will not be made without written approval from Kent Displays, Inc. QA.

17. WAIVERS Any waiver of strict compliance with the terms of this P.O. shall not be a waiver of Purchaser's right to insist upon strict compliance with the terms of the P.O. thereafter, or any future purchase orders.

18. NONASSIGNMENT This P.O. is issued to Seller in reliance upon Seller's personal performance of the duties imposed and by accepting same Seller agrees not to assign this order or delegate the performance of its duties without consent in writing of Purchaser. Any such assignment or delegation attempted without the previous written consent of Purchaser shall effect, at the option of Purchaser, a cancellation of all Purchaser's obligations hereunder.

19. WORK ON PURCHASER'S PREMISES If any work under this P.O. is to be performed on Purchaser's premises Seller agrees to defend, indemnify and hold harmless Purchaser from and against all claims, losses or damages due to injury or death to any persons, including Seller's agents, servants or employees, and damage to or the destruction of any property resulting from Seller's negligent acts or omissions incident to or arising out of such work. Seller shall maintain such Public Liability, Property Damage and Workers Compensation insurance as will protect Purchaser from said risks.

20. USE OF NAME, TRADE-NAME AND TRADE-MARKS (a) Unless authorized by Purchaser in writing, the name of Purchaser, its parent, subsidiaries and/or any affiliated corporations or any of their trade-marks shall not be used by Seller. (b) If the material specified within this P.O. is peculiar to Purchaser's design either as an assembly or component part of any assembly, or if the material bears Purchaser's Trade-Mark and/or identifying Mark, it shall not bear the Trade-Mark or other designated of the Maker or Seller and similar material peculiar to the Purchaser's design or bearing its Trade-Mark or identifying Mark shall not be sold or otherwise disposed of to anyone other than Purchaser.

21. SET-OFF Purchaser shall be entitled at all times to set off any amount owing at any time from Seller to Purchaser or any of its affiliated companies against any amount payable at any time by Purchaser in connection with this order.

22. INSPECTION Buyer's representative(s) shall at all times have access to the Seller's place of manufacture for the purpose of inspection of quality review and Supplier shall provide sale and proper facilities for such purpose.

23. SURVIVAL OF OBLIGATIONS The obligations of the parties under this Purchase Order which by their nature would continue beyond the termination, cancellation or expiration of this Purchase Order, shall survive termination, cancellation or expiration of this Purchase Order.

24. TOOLING All tools or other devices (herein referred to as tools) specifically manufactured, designed, or procured by the Seller for the performance of this Purchase Order, whether to the design of the Seller, Buyer, or a third party, shall become the property of the Buyer upon initial use or purchase on behalf of this contract by Seller.

25. HEADINGS Headings to the Clauses in these Terms and Conditions are inserted for convenience of reference only and shall not affect the construction thereof.

26. ACCEPTANCE All goods supplied under this Purchase Order shall be subject to inspection and acceptance by the Buyer or its agents after the receipt thereof. The Buyer will notify the Vendor in writing of the rejection of any goods which are not in accordance with the description of specifications stipulated in the Purchase Order and such goods will then be held subject to disposition at the Vendor's risk and subject to all charges accruing as a result of such rejection. No acceptance by or on behalf of the Buyer shall release the Vendor from its guarantee.

27. ARBITRATION If any dispute regarding the interpretation, application or enforcement of this Agreement arises and the parties are unable to resolve the dispute between them, the matter shall be submitted to arbitration with the American Arbitration Association, pursuant to its Commercial Arbitration Rules, such arbitration hearing to be held in Portage County, Ohio.

28. GENERAL CONDITIONS No agent, salesman or other party is authorized to bind KENT DISPLAYS by any agreement, warranty, statement, promises or understanding not herein expressed. The sale of Goods pursuant to this order shall be governed by the laws of the State of Ohio. Any clerical errors are subject to correction. No delay or omission by KENT DISPLAYS in exercising any right or remedy provided for herein shall constitute a waiver of such right or remedy and shall not constitute a bar to or a waiver of any such right or remedy on any future occasion. This contract shall be binding upon and shall inure to the benefit of the successors and assigns of KENT DISPLAYS.

29. GOVERNMENT REGULATIONS when a Government number is cited on the KENT DISPLAYS Purchase Order/Subcontract, the terms and conditions contained insuch contract are hereby incorporated by reference. Copies of relevant clauses are obtainable for the Purchaser upon Seller Request.