



GENERAL TERMS AND CONDITIONS FOR PURCHASE

1 APPLICABLE LAW - DEFINITIONS. The definition of terms, interpretation of this Order, and the rights of parties hereto shall be construed and governed by the laws enacted by Buyer's state (as shown on the face hereof), including the Uniform Commercial Code. All reference herein to federal, state or local statutes, regulations, rules and orders shall be deemed to include all amendments and revision thereof. "Buyer" means the division or subsidiary of Clover Systems, LLC / Clover Internacional LLC (Clover) shown on the face hereof. "Seller" means the person or entity to which this purchase order is addressed. "Order" means this purchase order, including all terms and conditions on the face and reverse side hereof and all specifications issued hereunder and all drawings, models and samples furnished hereunder. "Goods" means those articles, materials, and drawings, data or other property or services that are the subject of this Order. "Seller" also includes Seller's principal if Seller is acting as broker or agent.

2 ACCEPTANCE. If this order is deemed to constitute an offer, it shall be accepted in the expressly limited manner specified on the face hereof. If this Order is deemed to constitute acceptance of an offer, such acceptance is expressly made conditional on Seller's assent to the terms of this Order, and shipment of any part of the Goods or other commencement of performance shall be deemed to constitute such assent.

3 PRICE. If the price is omitted in this Order, the Goods shall be billed at the lower of the price last paid or quoted, or the prevailing market price.

4 ROUTING, RISK OF LOSS, EXCESS SHIPMENTS, DELAYS. (a) Time is of the essence in the performance of this Order by Seller. (b) Goods shall be delivered by Seller to Buyer's business from which goods were ordered, unless otherwise specified on the face hereof. Risk of loss as to such Goods shall remain with Seller until after Goods are delivered and all nonconformity's are cured. (c) Buyer's weight and count are conclusive, and Buyer shall have no liability for payment for Goods delivered in excess of the quantity ordered. Excess Goods shall be subject to rejection by Buyer and re-delivery to Seller at Seller's expense. (d) If, prior to time for delivery of the Goods, Seller has reason to believe that it will be unable to meet its delivery schedule, it shall immediately notify Buyer in writing, shall indicate the cause of delay, shall use its best efforts to cure the anticipated delay.

5 QUALITY: Warranties. In addition to any other warranties whether express or implied, Seller warrants that all Goods delivered shall strictly conform to the terms, instructions, conditions, specifications, descriptions, drawings, and data specified herein or furnished herewith, shall be of good design, material, and workmanship, free from defects, merchantable and fit for their intended purpose, and shall meet applicable industrial and governmental safety standards. Goods shall be new (unless otherwise specified in this Order) at the time of delivery. No warranties hereunder shall be deemed disclaimed except in a writing signed by an authorized representative of Buyer. Repairs or replacements of the Goods shall be made by Seller, without cost to Buyer, at any time within the warranty period of the Goods, when the Goods are deemed defective by the Buyer.

6 INSPECTION OF GOODS: Rejection of Goods and Revocation of Acceptance. After receipt of Goods, Buyer shall have a reasonable time, but not less than seven days, in which to inspect and



accept or reject Goods, and payment for Goods shall constitute acceptance. Buyer may reject Goods not conforming to the instructions, terms, conditions, specifications, drawings, data, or warranties furnished under this Order. For all rejected Goods, Seller shall provide Buyer a full refund for or replacement of the Goods, at Seller's risk and expense, including transportation costs both ways.

7 EQUAL EMPLOYMENT OPPORTUNITY. Seller certifies that it is in full compliance with Executive Order No. 11246 as amended, and all administrative regulations issued pursuant thereto, as well as all other applicable equal employment obligations as required by Executive Orders, Rules, Regulations, or law as of the date of executing this order.

8 OCCUPATIONAL SAFETY AND HEALTH. Seller warrants that any Goods sold pursuant to this Order comply in all respects with the Occupational Safety and Health Act of 1970, (OSHA), any amendments thereto, and all applicable regulations, rulings, orders and standards promulgated thereunder.

9 ENVIRONMENTAL COMPLIANCE. In the event that this Order is for an amount in excess of \$100,000 and Seller is not otherwise exempt, then Seller stipulates and agrees: (a) that none of Seller's facilities is listed on the Environmental Protection Agency(EPA List of Violating Facilities pursuant to 40 CFR Part 15; (b) to comply with all the requirements of the Clean Air Act, as amended, and the Clean Water Act, as amended, including all regulations, guidelines and standards issued thereunder;(c) that this Order is expressly conditional upon Seller promptly notifying Buyer in the event Seller receives any communication from the U.S. EPA, indicating that a facility to be utilized in the performance of this Order is being considered for listing on the EPA List of Violating Facilities; and (d) to include the requirements of (a through d) in every subcontract exceeding \$100,000 which is not otherwise exempt.

10 WITHHOLDING OF PAYMENTS. Buyer shall have the right (but no duty) to withhold any moneys payable by it hereunder and apply the same to the payment of any obligations of Seller to Buyer.

11 TERMINATION OF ORDER. (a) Buyer may at any time terminate Seller's performance under this Order, in whole or in part, by written notice to Seller, whereupon Seller shall terminate its performance upon receipt of such notice and shall terminate all orders and subcontracts to the extent they relate to such performance. For any termination for which notice thereof is sent to Seller after receipt of Goods by Buyer, liability shall be limited to returning such Goods and reimbursing Seller the direct cost of handling and transportation.

12 CANCELLATION. Buyer may cancel this Order for default with respect to all or any part of undelivered Goods if Seller(a)does not meet delivery or performance schedules, (b) breaches any terms hereof, including warranties or (c) becomes insolvent or commits any act of bankruptcy. In the event of cancellation for default, Buyer shall have no liability whatsoever for undelivered Goods or any part thereof.

13 TAXES. Prices stated herein include all taxes directly applicable to the Goods sold hereunder. Notwithstanding the foregoing, Buyer shall only be liable for such federal, state, and local taxes levied on Buyer which Seller is required by law to collect from the Buyer.



14 BUYER'S RIGHT TO MAKE CHANGES. Buyer may at any time, by written notice to Seller, make changes in the specifications, quantities, schedules and shipping instructions under this Order. If any such change increases or decreases the cost of performing this Order or the time required for its performance, an equitable adjustment in prices an/or schedules shall be made, provided, however that any claim by Seller for such adjustment shall be presented in writing to Buyer within 30 days from the date the change is ordered by Buyer.

15 ENTIRE AGREEMENT. This order constitutes the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, writing and all other communications between the parties. No waiver, alteration, modification of or addition to the terms and conditions contained herein shall be binding unless expressly agreed to in writing by a duly authorized representative of Buyer.

16 SETTLEMENT OF DISPUTES. Any claim or dispute arising in connection with this Order which is not settled by the parties within 60 days of notice thereof first being given by either party to the other shall be finally settled by arbitration under the Commercial Arbitration Rules and the Guidelines for Expediting Larger, Complex Commercial Arbitration of the American Arbitration Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction over it. There shall be three arbitrators, all of whom shall be fully active in their respective occupations and shall conduct themselves as neutrals, and whose chairman shall be an attorney experienced in arbitrating large commercial disputes. Each party shall appoint one arbitrator, and the two arbitrators shall appoint the third. All arbitrators shall be compensated at their normal hourly or per diem rates for all time spent by them in connection with the arbitration proceedings. A preliminary hearing shall be held. The arbitrators shall actively manage the arbitration to make it fair, expeditious, economical and less burdensome and adversarial than litigation, and the award rendered shall state its reasoning. Any party may request a court to provide interim relief without waiving the agreement to arbitrate.

17 ERRORS. Any stenographic or clerical errors contained on the face hereof are subject to correction by Buyer.