

ACCEL PLASTICS
PURCHASING TERMS AND CONDITIONS

ACCEPTANCE: Acceptance of this purchase order is expressly limited to the terms and conditions stated herein. This purchase order contains the complete agreement between Buyer and Seller. No modification or changes to this purchase order will exist without prior written approval by an officer of the Buyer.

NO IMPLIED WAIVER: No waiver of any provision of this purchase order shall constitute a waiver of any other provision or a waiver of any subsequent default by Seller.

QUANTITY, DELIVERY, AND PACKING: The quantity of goods indicated on the face hereof shall not be shipped greater or less without the written approval of Buyer. Seller shall ship and deliver goods and render services hereunder on the date or dates specified on the face hereof, unless prior written approval of any change in such date or dates is given by buyer. No change will be paid by Buyer for packing, boxing, or cartage, unless specified on the face hereof. Loss of or damage to any goods not packed in such a manner as to insure proper protection shall be borne by Seller. Each package of goods shipped must contain a memorandum showing Seller's name, contents of package, and the purchase order number on the face hereof. If for any reason, other than specified, Seller fails to make delivery within the time as specified herein, Buyer at its option, may approve a revised delivery schedule, request shipment, all or part, via air freight at Seller's expense, or demand Seller work overtime, or terminate purchase order without any expense to Buyer. Seller however, shall not be liable for delays due to causes beyond Seller's reasonable control, provided Seller promptly notified Buyer in writing of any such delay or expected delay as soon as such delay becomes apparent.

DELIVERY AND PRICING: This order shall not be filled at a price higher than that stated on the face hereof, or in the absence of stated price, at a price higher than that previously quoted or previously charged to Buyer. Unless stated otherwise, each invoice issued by Seller will apply to only one purchase order.

WARRANTY: Seller warrants that the goods covered by this order will conform to Buyer specifications, drawings, samples, or other descriptions furnished by Buyer, and will be suitable for the use intended. All goods are subject to inspection and acceptance by Buyer within a reasonable time after they arrive at destination. Buyer shall notify Seller of any goods rejected for any reason. At Buyer's election, rejected goods may be held for Seller's inspection or returned to Seller at Seller's expense. Seller must receive written authorization from Buyer to replace any rejected parts.

PATENTS: Seller warrants that the goods furnished hereunder do not infringe on any patent: That it will defend the Buyer from any suit that may arise in respect thereto; and that it will defend, indemnify and hold harmless from and against any and all loss which Buyer may incur (including, but not limited to attorneys fees and court costs) by reason of the assertion of any patent rights with respect to the goods furnished hereunder whether by reason of Buyer's purchase, use, or otherwise.

PATTERNS TOOLS EQUIPMENT AND DESIGNS: Unless otherwise agreed to in writing and signed by an officer of Buyer, all drawings, including all data generated by and or stored in electronic data processing equipment or software, specifications, tools, equipment or materials of every description furnished to Seller by Buyer or specifically paid for by Buyer, shall be and remain the personal property of Buyer and any articles or parts made there from will not be furnished to any other person. Such property shall be held at Seller's risk and insured at Seller's expense in an amount equal to its replacement cost with loss payable to Buyer. It shall be safely stored, maintained, and wherever possible, clearly marked as property of Buyer.

DEFAULT: Upon the occurrence of any one of the following events, Buyer shall have the unrestricted right, upon written notice to cancel this purchase order and, upon the delivery or mailing of such notice to Seller at its address shown herein, every obligation of the Buyer hereunder shall immediately terminate: (1) Seller's insolvency or commission of an act of bankruptcy, (2) Commencement of proceedings by, for or against Seller under any law relating to bankruptcy or the relief of debtors, (3) Determination by Buyer, in its sole judgment that Seller's financial condition is such as to endanger its performance hereunder, or (4) Seller's failure to comply with any of the provisions, terms and conditions of this purchase order, including without limitation, its failure to make timely deliveries of material specified hereunder.

TERMINATION: Buyer, at its option, may terminate this purchase order in whole or in part by written notice to Seller, upon termination. (A) As to goods or services completed prior to receipt of notice, Buyer shall pay Seller the pro-rata portion of the total purchase order price, (B) As to work in progress prior to receipt of notice, Buyer shall pay Seller only for direct expenditures on work specifically identified (in no event shall Buyer be liable for incidental or consequential damages, overhead or other indirect costs, or lost profits). In either event, all completed or uncompleted goods shall be the property of Buyer and shall be held by Seller until receipt of shipping instructions from Buyer, payments made under this paragraph shall not exceed the aggregate price specified in this order.

COMPLIANCE WITH LAWS AND REGULATIONS: Seller agrees that in the performance of this order it will comply with the requirements of all applicable federal, state, and local statutes, regulations and orders and will indemnify and save Buyer harmless for any claim, loss or damage arising from Seller's violation or alleged violation of the same.

NON-ASSIGNMENT: Seller may not assign or delegate its obligation under this order without Buyer's prior written consent.

GOVERNING LAW: It is agreed that the parties hereto intend that all questions as to validity, interpretation, and required performance arising out of any contract between them be governed by the laws of the State of Washington.