

**ASSOCIATED SPRING**  
**PURCHASE ORDER TERMS AND CONDITIONS**

Acceptance. This purchase order shall be deemed accepted by Seller's acknowledging receipt of this order, by Seller's commencement of services or work on the goods ordered, or by Seller's shipment of the goods; whichever first occurs. Any acceptance of this purchase order is limited to acceptance of the express terms and conditions contained on the face and back hereof. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this order in Seller's acceptance is hereby objected to and rejected but such proposals shall not operate as a rejection of this order unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods or services, but shall be deemed a material alteration thereof, and this order shall be deemed accepted by Seller without said additional or different terms.

If this purchase order shall be deemed an acceptance of a prior order by Seller, such acceptance is expressly conditional on Seller's acceptance of any different or additional terms contained herein and acknowledgement that this purchase order constitutes the entire agreement between the parties with respect to the goods or services ordered hereunder. Seller shall be deemed to have so accepted and acknowledged unless it notifies Buyer in writing to the contrary within ten (10) days of receipt of this purchase order.

Price. The prices set forth on the front of this purchase order are not subject to increase and include all applicable taxes and charges. Waiver of mechanics' liens will be required before payment of invoices is made.

Delivery. Buyer's production schedules are based upon the agreement that goods and services will be delivered to Buyer on the dates specified herein. Time is of the essence of this order. If delivery of goods or services is not completed by the dates specified. Buyer may, without liability, terminate this order and purchase substitute goods and services elsewhere and hold Seller liable for any resulting additional costs and expenses. Seller agrees to give Buyer prompt written notice of any projected delay in delivery exceeding seven (7) days from the delivery date specified herein. Buyer reserves the right to refuse delivery of goods which is made more than one week in advance of the delivery date specified herein and to return such goods to Seller at Seller's expense. If Buyer accepts early delivery, invoice payment terms will be calculated from the date of scheduled delivery.

Warranty. With respect to all goods and services purchased hereunder, by acceptance of this order Seller warrants (1) that the goods are of its own manufacture, new, safe, merchantable, of good quality, and free from defects in design, material and workmanship: (2) that Seller has good title to the goods and will convey such good title to Buyer: (3) that the goods conform to specifications, drawings, samples or other descriptions furnished by Buyer and all appropriate standards: (4) that if Seller knows or has reason to know of the particular purpose for which Buyer intends to use the goods, Seller warrants that the goods will be fit for such particular purpose: (5) that the goods or services will conform to any statements made on the containers or labels or advertisements for such goods or services and that any goods will be adequately contained, packaged, marked and labeled: and (6) that the goods or services are Year 2000 compliant as defined below. These warranties shall be cumulative and in addition to all other warranties, express, implied or statutory, and all warranties shall survive inspection, test, acceptance, payment and use. If any such goods or services shall be defective or otherwise not in conformity herewith, Seller shall, at Buyer's option and in addition to all other remedies of Buyer, either credit Buyer for any such defect or nonconformity or, at Seller's expense replace, repair, correct, or perform anew any such goods or service. All warranties shall run to Buyer, its successors, assigns, customers and users of its products. Seller further warrants that, unless it notifies Buyer in writing to the contrary, the goods delivered hereunder will be manufactured in accordance with the same process and From materials of the same supplier as used to manufacture Buyer's last preceding order for such goods, if any.

Year 2000 compliant means: (a) with respect to any product, component or system, that the product, component or system accurately processes date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations: (b) with respect to a service, that the service will not be materially impaired, delayed, or interrupted by reason of any failure of any product, component or system within the service provider's control to be Year 2000 compliant as defined in subsection (a).

Right of Entry and Verification: Associated Spring personnel and/or our customer representatives shall have the right to access supplier facilities and sub-supplier facilities for verification that contracted product and processes conform to specified requirements.

Buyer's Property. Title to and the right to immediate possession of any property, including without limitation, patterns, tools, dies, equipment or material, furnished or paid for by Buyer shall remain in Buyer at all times. Seller shall, at its own expense, maintain such property in good condition and shall be responsible for all loss and damage thereto while in its possession and shall use the same only for the production of goods for Buyer. Seller shall maintain insurance on such property covering all risks in amounts equal to the replacement cost and shall indemnify Buyer for the full repair or replacement cost, at Buyer's option, of any lost or damaged property.

Indemnification: Insurance. Seller shall indemnify and hold harmless Buyer, its successors, assigns, customers, users, employees and agents against any and all liability, costs, expenses (including attorneys' fees), damages, claims and causes of action caused by the goods ordered, by any breach of Seller's warranties with respect to such goods or the services ordered, by any negligent act or omission of Seller, or arising by the performance of any work or other activity by Seller, its subcontractors and agents on Buyer's premises, and upon the tendering of any such suit or claim to Seller to defend the same at Seller's expense. The foregoing indemnification shall apply whether Seller or Buyer defends such suit or claim.

Seller shall maintain, and require its subcontractors and agents to maintain, insurance coverage, including comprehensive general liability and worker's compensation insurance, in amounts sufficient to cover the obligations set forth above, naming Buyer as an additional insured, Seller will furnish on Buyer's request insurer's certificates evidencing such insurance which expressly provide that the insuring company will give thirty (30) days prior written notice to Buyer of the cancellation or expiration of such insurance.

Infringement. Seller shall indemnify Buyer, its successors, assigns, customers and the users of the goods and hold them harmless from any and all costs, expenses (including attorneys' fees), liability, damages, losses, royalties and license fees arising from any suit or claim of infringement of any patent, copyright, trademark or trade name by reason of the manufacture, sale or use of the goods, including any settlement. Upon the tendering of any such suit or claim to Seller, Seller shall defend the same at Seller's expense. The foregoing indemnifications shall apply whether Seller or Buyer defends such suit or claim.

Confidentiality. Seller shall keep confidential all drawings, specifications, technical information and data furnished by Buyer or prepared by Seller in connection with the performance of this order, and shall not disclose such information except as required for the efficient performance of this order or use such information for any purpose other than performing this order. Seller shall deliver all such information and all copies thereof to Buyer upon Buyer's request. Seller shall not, without prior written consent of Buyer, use Buyer's name or trademarks or in any manner publish the fact that Buyer has placed this order.

Compliance. Seller agrees to comply with all applicable provisions of federal, state and local laws, orders, rules and regulations and warrants that all goods and services supplied hereunder will be produced or rendered in compliance with the same. Upon Buyer's request, Seller will provide written certification of compliance with such provisions.

Termination. Buyer may terminate this order or any part hereof for its sole convenience. Upon such termination, Seller shall immediately stop all work and cause any of its suppliers or subcontractors to cease work. Seller shall be paid a reasonable termination charge consisting of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination, plus actual direct costs resulting from termination, provided it submits proof of such charges within 30 days after notice of termination. Seller shall not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could have reasonably avoided.

Buyer may also terminate this order or any part hereof In the event of any default by Seller, including late deliveries, deliveries of defective or nonconforming goods or services, or failure to provide Buyer, upon request, with reasonable assurances of future performance. In the event of such termination, Buyer shall not be liable to Seller for any amount, and Seller shall be liable to Buyer for any and all direct, indirect, special, incidental and consequential damages sustained by reason of the default.

Limitation on Liability. Any action by Seller arising out of or related to this purchase must be commenced within one year after the scheduled date of delivery of the goods or services ordered. Buyer's liability on any claim of any kind arising out of or related to this purchase order shall in no case exceed the purchase price of the goods or services which give rise to the claim.

Inspection; Rejection. Neither receipt of nor payment for the goods ordered hereunder shall constitute acceptance. Buyer shall have the right to inspect the goods and reject goods which it deems defective, damaged, nonconforming or in excess of the quantities ordered. Rejected goods will be held for Seller's instructions at Seller's risk and expense or, at Buyer's option, returned to Seller at Seller's risk and expense. Seller shall refund to Buyer all amounts paid for rejected goods or, at Buyer's option. Seller shall replace rejected goods promptly and without expense to Buyer. If any of the goods in any shipment are defective, damaged or nonconforming, then the total shipment may be rejected. Nothing herein shall relieve the Seller from the obligation of testing, inspection and quality control. Buyer shall receive a refund for any rejected goods.

Excusable Delay. Seller shall not be liable for failure or delay in making deliveries when such failure or delay is due to any cause beyond the control and without the fault or negligence of Seller; provided that Seller shall give to Buyer prompt written notice when it appears that such cause will delay deliveries under this order. Buyer may at its option and without any liability to Seller, cancel by written notice any portions of this order so affected. Buyer may delay delivery and/or acceptance due to any cause beyond its control.

Changes. Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation upon written notice to Seller. If any such change causes an increase or decrease in the cost of or time required for the performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claim for adjustment by the Seller shall be deemed waived unless asserted in writing within 30 days from receipt by Seller of the change notice.

General.

- (a) The contract arising pursuant to this order shall be governed by the laws of the State of Connecticut.
- (b) No part of this order may be assigned or subcontracted without prior written approval of Buyer.
- (c) Buyer's failure to Insist on performance of any of the terms and conditions of this order or exercise any right shall not be deemed a waiver unless in writing and signed by Buyer. A waiver on one occasion shall not thereafter operate as a waiver of any other terms, conditions, or rights, whether of the same or similar type.
- (d) Buyer shall have the right to set off against any amounts which are due or may become due to Seller any amounts which Seller may owe to Buyer under this order or otherwise.
- (e) The remedies provided herein shall be cumulative and in addition to any other remedies provided by law or in equity.
- (f) This purchase order and any documents referred to on the face hereof constitute the entire agreement between Buyer and Seller and may not be modified except by a written document signed by Buyer.