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TERMS AND CONDITIONS

1. ACCEPTANCE OF ORDER. This offer may be accepted only by Seller's signing and returning to Flow Technology, Inc. ("Buyer") the acknowledgment copy of this order within ten (10) days or by delivery of the ordered goods. Delivery of the goods constitutes Seller's acceptance of the terms herein. Acceptance is expressly limited to the terms and conditions stated in this order and any additional or different terms proposed by Seller are rejected unless Buyer agrees to them in writing. Buyer reserves the right to revoke this order at any time before acceptance.

2. ENTIRE AGREEMENT. The parties agree that this writing including documents attached to it or incorporated by reference, is a complete and final statement of the term of their agreement.

3. MODIFICATION OF AGREEMENT. Any changes in the terms of this order must be in writing and signed by Buyer to be effective.

4. ASSIGNMENT OR DELEGATION. No right or obligation of Seller may be assigned or delegated without Buyer's prior written approval.

5. INSPECTION. All ordered goods shall be subject to inspection and testing by Buyer at all times, including during manufacture. Inspection and testing or failure to do so does not relieve Seller of its guarantees or responsibility to furnish satisfactory goods, or waive Buyer's right to final inspection and testing of goods before accepting them.

All items to be delivered hereunder shall be subject to inspection and test by Buyer, Buyer's customer and all Government agents to the extent practicable at all times and places including the period of manufacture. Buyer and all approved agents and representatives shall have access to all areas on the premises of the Seller or of Seller's Subcontractors in which work on this purchase order is being performed. Seller and Seller's Subcontractors should provide all reasonable facilities and assistance for the safety and convenience of Buyer and Buyer's approved agents and/or Representatives in the performance of their duties.

6. ACCEPTANCE OF GOODS. Buyer accepts ordered goods unless notice of rejection is given within a reasonable time, which is agreed to be within ninety (90) days after receipt of delivery. Payment for goods does not constitute acceptance. Acceptance does not waive any of Seller's warranties or Buyer's rights.

7. TITLE, RISK OF LOSS, AND IDENTIFICATION. Seller retains all title and risk of loss until ordered goods are delivered to and accepted by Buyer. If Buyer rejects or revokes acceptance of any ordered goods, Seller assumes full responsibility for the identification of ordered goods under the Arizona Uniform Commercial Code shall occur at the moment that this order is accepted by Seller pursuant to paragraph 1 above.

8. DELIVERY. Time is of the essence of this contract. When Seller anticipates any delay in deliver, it must give Buyer written notice immediately of the cause.

9. SELLER'S WARRANTIES. In addition to any other Seller's warranties, Seller warrants that all ordered goods will be

merchantable, fit for Buyer's purposes, and free of any defects whatsoever, including but not limited to materials, labor and fabrication. Seller warrants that the goods will comply with all of Seller's advertisements, descriptions, and representations and also with all applicable terms, conditions, drawings, plans and specifications.

10. BUYER'S PROPERTY. All property, materials and data, including but not limited to all tools, equipment, and technical information such as blueprints or engineering data provided to Seller by Buyer and any replacements thereof shall be and remain Buyer's property. Buyer does not waive any of its patents or copyrights in providing Seller such property. Seller will not modify such property or use it in any way not expressly authorized in writing by Buyer. Seller will keep all such property at its own risk in good condition, with all tangible property insured at its expense for the replacement cost payable to Buyer. Seller will treat Buyer's property as confidential and will not disclose, copy or use it for others. Seller will return such property to Buyer on demand at Seller's expense.

11. INDEMNIFICATION AND INSURANCE. Seller agrees to defend and indemnify Buyer for any and all expenses, losses and attorney's fees arising out of any claim or judgment relating to this contract, or the services or goods ordered under this contract. Seller further agrees to maintain adequate Workmen's Compensation, Liability and Property damage insurance coverage.

12. DEFAULT. If Seller fails to comply in any way with the terms of this order or if Seller becomes unable for any reason to perform its obligations under this order, then Buyer may exercise all rights and remedies permitted by law and Buyer may recover all of its reasonable attorney's fees and costs from Seller incurred as a result of such default. All rights and remedies of Buyer are cumulative.

13. TERMINATION. Buyer shall have the right to terminate this order, in whole or part, otherwise than for its breach. This termination is effective upon Seller's receipt of notification of such termination.

14. COMPLIANCE WITH APPLICABLE LAW. Seller agrees to comply with all applicable laws. Without limiting the foregoing, Seller agrees that the goods ordered will be produced in compliance with the Fair Labor Standards Act, as amended, and agrees to so certify on its invoices. Also, in performing work required by this order, Seller will not discriminate against employee or applicant for employment because of race, creed, sex or national origin. Arizona law shall control this order and any transactions consummated pursuant to this order.

15. WAIVER. No claim or right arising out of a breach can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party.

16. "This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities."

SF-101214, Rev B	Terms and Conditions	Date 4/14
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