

ACCIDENT FUND HOLDINGS, INC.  
PURCHASE ORDER TERMS AND CONDITIONS

1. **ACCEPTANCE:** This order is Purchaser's offer to Seller, and when accepted, by any act of performance, shall become a binding contract, subject to the terms and conditions hereof which shall constitute the entire agreement between the Purchaser and Seller.
2. **CONTAINERS:** All drums, carboys or other containers to be returned to Seller must be shipped by Seller on a no-charge or consignment basis. No charges will be allowed for boxing, containers or cartage unless agreed upon in writing.
3. **INVOICES:** Unless otherwise specified in this order, invoices must be mailed not later than the day following shipment to Purchaser at the address given on reverse side, attention Accounts Payable. Invoices must show the correct purchase order number, invoice number, date, release number when appropriate, line number when appropriate, quantities being billed, units of measure, price in terms of unit of measure and amount, and quantity or payment discounts in all instances.
4. **SHIPPING INSTRUCTIONS:** Original bill of lading must arrive with the shipment, marked for attention of Accounts Payable, unless otherwise instructed. Purchaser shall have the right at any time to specify the Carrier or method of transportation, and agrees to compensate Seller for the excess cost of any such specified transportation over the transportation cost for shipment in the manner designated in this order. In that regard, the purchase order number, release number when appropriate, and line number must be shown on the original bill of lading. On all other shipment documents Supplier should reference purchase order number, release number when appropriate, line number, quantities in the shipment, references as required including form number, contract information or other communications.
5. **PRICES:** In no case will price exceed the price indicated on the face of this purchase order. Seller warrants that prices to be charged for goods and services on this order are no higher than prices charged other customers of Seller for goods and services of like or substantially like grade and quality.
6. **SPECIFICATION AND DELIVERY:** Approval of sample by Purchaser will not relieve Seller of responsibility of furnishing parts or materials ordered herein to blueprint and/or specifications furnished by Purchaser. Any overshipments are made at Seller's responsibility, Purchaser reserving the right to reject and return same at Seller's expense. Whenever requested to do so, by written instructions or blueprint notation, Seller will mark the goods covered by this order in the manner specified by the Purchaser. If deliveries are so far behind schedule that Purchaser is compelled to use material not according to Purchaser's specifications or at a higher cost, Seller agrees to pay whatever additional cost, expense, loss, or damage the Purchaser sustains, unless the delay is due to unforeseeable causes beyond the control and without the fault or negligence of Seller.
7. **INSPECTIONS:** All goods, services, and/or work supplied under the purchase order shall be subject to Purchaser's rights of inspection and rejection. Rejected material will be held for Seller's instruction and at Seller's risk and, if Seller asks, shall be returned at Seller's expense, for credit or refund at Purchaser's option. No returned material shall be replaced without a prior authorization from Purchaser. Purchaser reserves the right upon request to inspect the material on Seller's premises, and Seller agrees to provide access and facilities suitable for the inspection. Purchaser shall have the right to use non-confirming material in the manner it deems necessary to meet Purchaser's contractual obligation to its customers, without waiving any right or remedy that Purchaser may have with respect to the material. Payment before inspection of goods and services shall not be deemed a waiver of Purchaser's rights to inspect and reject, and the inspection, testing, acceptance, or use of material (or the absence of it) shall not be deemed a waiver of Purchaser's right to revoke acceptance with respect to material containing latent defects and nonconforming services.
8. **CANCELLATION:** Purchaser reserves the right at any time before delivery of goods or services to cancel this order, in whole or in part, without cause, by a written notice to Seller. If Purchaser cancels the order as provided in the purchase order, and if the goods that are the subject of this order are manufactured specifically for Purchaser and are not sellable to others in the ordinary course of business, or to any entity engaged in Seller's business, then Purchaser shall reimburse Seller for the following costs reasonably and necessarily incurred by Seller and are not standard items usable in other applications, minus the salvage value. Any claim resulting from cancellation must be submitted by Seller within 30 days of the date of the notice of cancellation and must be supported by cost data in form and detail that may reasonably be required by Purchaser. This paragraph states Seller's exclusive rights against Purchaser and Purchaser's total obligations to Seller with respect to any cancellation of this order without cause, and Purchaser's obligations contained in this paragraph shall not apply in the case of a termination resulting from a breach by Seller.
9. **PATENTS:** Unless articles or materials to be furnished hereunder are of Purchaser's design, Seller agrees to indemnify and save harmless the Purchaser, its employees, its parent company and/or its divisions and subsidiaries, their successors, assigns, customers, and agents against all costs, damages, claims, demands and liabilities for actual or alleged direct or contributory infringement of any patents, trademarks or similar rights because of the sale or use of any materials specified herein. Seller further agrees that it shall, at its own cost and expense, defend every suit which may be brought against the Purchaser, or any party selling or using any of Purchaser's products provided Seller is promptly notified of the institution of such suit for any alleged infringement of patent rights, trademark rights, or similar rights arising out of the sale or use of said article or materials, and to pay all expenses and fees of counsel which shall be incurred in connection with the defense thereof, and all costs, damages and profits recoverable in every such suit.
10. **ASSIGNMENT:** This order is not to be assigned nor performance hereunder delegated by Seller, without written consent of Purchaser. Any such assignment or delegation without written consent of Purchaser shall give Purchaser the right to terminate this order. The provisions of this paragraph are not intended to prohibit normal subcontracting.
11. **WARRANTY:** In the absence of any other warranties provided in a written contract between the Purchaser and the Seller, the Seller warrants that its services, articles or materials to be furnished hereunder will be merchantable and free from defects of material or workmanship, will conform to Seller's samples and to descriptions, specifications data and drawings, if any furnished to Seller by Purchaser and further, that said articles or materials will be suitable and fit for the purpose intended, provided, Purchaser informs Seller of the purpose intended and Seller fails to notify Purchaser promptly of non suitability of said goods or services for said purpose. The warranties of Seller in this paragraph shall not be deemed exclusive, but are in addition to any and all other warranties, express or implied, that may exist, arise or be created by operation of law or otherwise.
12. **INDEMNIFICATION:** Seller agrees to defend Purchaser against and to indemnify and to hold Purchaser harmless from any and all damages, claims, demands, or liabilities whatsoever and any or all suits and causes thereon arising or allegedly arising from and attributable or allegedly attributable to Seller's product or services herein ordered or from the use thereof by Purchaser's assignees, employees, agents. Seller further agrees that, in the event Seller, its employees, agents, or subcontractors enter premises owned, occupied by or under the control of Purchaser in the performance of this Purchase Order, Seller shall indemnify and hold the Purchaser harmless from any and all damages, claims, demands, or liabilities whatsoever arising or allegedly arising from and attributable or allegedly attributable to, in whole or in part, said performance by Seller, its employees, agents, or subcontractors.
13. **CERTIFICATE OF INSURANCE:** (If applicable for services) Seller further agrees to provide Purchaser with current Certificates of Insurance prior to the commencement of any work, Seller agrees that it shall not allow its personnel or equipment on Purchaser's premises until two copies of Seller's current Certificate of Insurance have been provided to Purchaser. Seller further shall direct their respective insurers, to provide Purchaser with a 30 day advance notice in writing of termination or any other changes in insurance coverage which could affect Purchaser during any period of Purchase Order activity; and Seller shall provide Purchaser with evidence of said communication. Certificates will state that all coverage carried by contractor is primary with respect to any coverage carried by owner. Each certificate provided must evidence its date of expiration together with, at a minimum, the coverage specified herein:

Coverage	Minimum Limit Requirement
Workers Compensation/Employers Liability	Statutory
General Liability	\$1,000,000
Combined Single Limit	\$1,000,000
Automobile Liability	\$1,000,000
Excess ("Umbrella")	If carried, indicate amount on certificate.

Seller agrees further to provide Purchaser with Certificates of Insurance for any other applicable coverage requested.
14. **VERBAL UNDERSTANDINGS:** It is understood and agreed that there is no verbal understanding or agreement between Purchaser and Seller altering the conditions stated in this order.
15. **DISCOUNT:** Unless otherwise agreed to in writing, invoices subject to an early payment discount will be due dated according to the specified terms on this Purchase Order.
16. **COMPLIANCE WITH LAW:**
  - a. Seller represents that the prices charged to and paid by Purchaser for the products and commodities supplied and sold to Purchaser in accordance with the terms of this purchase order are lawful and in compliance with provisions of Robinson-Patman Act (49 stat. 1526, 15 U.S.C. sec 15).
  - b. By accepting this order, Seller warrants that the goods and services to be furnished hereunder will be produced in compliance with all applicable requirements of Section 6, 7, and 12 of the Fair Labor Standards Act, as amended, and of the Regulations and Orders of the United States Department of Labor issued under Section 14 thereof.
  - c. The Seller has read and agrees to comply with regulations specified in the Occupational Safety and Health Act.
17. **CONFIDENTIALITY/NONDISCLOSURE:** Both parties agree that they shall restrict the use or disclosure of all nonpublic personal and proprietary information, written or oral, including electronic data, concerning their respective companies and customers obtained in connection with the performance of the responsibilities specified in this Agreement. Both parties shall comply with all laws and regulations pertaining to the confidentiality of financial, medical, and other information. Both parties will put forth their best efforts to prevent the unauthorized disclosure, use or duplication of such information by third parties, except as required by law and/or necessary for each party to perform their respective obligations under the terms of this Agreement. Any disclosure made otherwise shall be deemed unauthorized unless prior written consent of the affected party is obtained.
18. **RIGHT TO AUDIT:** Purchaser will have the right, at reasonable times during usual business hours and upon reasonable notice to Seller, to audit, examine and make copies of or extracts from those business records necessary for Purchaser's auditors to verify that Seller's invoices were true and correct for expenses billed under Purchase Order. Seller will maintain adequate records of all matters relating to this Purchase Order for a period of three (3) years after the expiration of this Purchase Order.
19. **ADVERTISING:** Seller shall not, in any manner, advertise or publish the fact that it has furnished, or contracted to furnish, goods or services without prior written consent of Purchaser.
20. **MARKS:** Seller shall not use, display or publish Purchaser's logos, brands or trademarks without prior written consent of Purchaser.
21. **GOVERNING LAW:** This Purchase Order shall be governed by and construed according to Michigan Law.