

TALAN PRODUCTS, INC. (BUYER)
TERMS AND CONDITIONS OF
PURCHASE ORDER

The following terms and conditions are controlling except where in conflict with express terms and conditions on the face of the Purchase Order:

1. Unless otherwise provided in this Purchase Order, no invoices shall be issued nor payments made prior to delivery. Unless freight and other charges are itemized, any discount will be taken on full amount of invoice. All payments are subject to adjustment for shortage or rejection. Any claims for adjustments made by Seller must be made within thirty (30) days from the date of the adjustment or within such additional period of time as may be agreed.
2. If the terms are FOB Seller, risk of loss with respect to the goods shall pass to Buyer upon delivery at the specified FOB point in conformity with the Purchase Order. All items must be suitably packed and prepared for shipment to secure lowest transportation rates and comply with carrier regulations. No charges will be paid by Buyer for packing, crating or cartage unless stated in the Purchase Order. Each container must be numbered to show Purchase Order number, and the container and Purchase Order numbers must be indicated on bill of lading and packing list.
3. All articles delivered hereunder shall be received subject to Buyer's inspection and approval, and payment therefore shall not constitute acceptance thereof. Seller expressly warrants that the goods covered by this Purchase Order will conform to the specifications, samples or other descriptions furnished or specified by Buyer and will be suitable for the purpose intended. The Seller agrees that undiscovered delivery of nonconforming goods or services is not a waiver of the right of Buyer to insist upon further compliance with the Purchase Order. The goods shall be free from any security interest or other lien, encumbrance, or claim of any third person. These warranties shall survive inspection, acceptance, passage of title, or payment by Buyer.
4. Time of delivery or performance of this Purchase Order is of the essence unless otherwise stated. The failure of Seller to meet delivery schedules, or to deliver within a reasonable time, as interpreted by Buyer, failure to make replacement of rejected articles, as directed by Buyer, or nonperformance or violation of contract provisions shall permit Buyer, at its sole discretion, to rescind or cancel the contract and purchase in the open market goods or services of comparable grade to replace those rejected or not delivered. On all such purchases the Seller agrees to reimburse Buyer for any expense incurred in excess of contract price.
5. Whenever Seller has knowledge of any actual or potential labor dispute or any other condition which is delaying or threatening to delay the timely performance of this order, Seller shall immediately give notice thereof, including all relevant information with respect thereto, to Buyer.

6. This contract shall be governed by and construed according to the laws of the state of Ohio. Any controversy or claim arising out of or related hereto shall be brought exclusively in the Court of Common Pleas, Cuyahoga County, Ohio, which shall be deemed to have exclusive jurisdiction.
7. Buyer's waiver of, or failure to enforce remedies for, breach of this contract shall not be construed as waiver of that or any other breach.
8. This Purchase Order constitutes the full understanding of the parties with respect to the purchase of goods hereunder. Buyer may at any time by written notice make changes within the general scope of this Purchase Order to the quantities, shipping instructions and delivery schedules. Should any such change increase or decrease the cost of, or the time required for, performance of the Purchase Order, an equitable adjustment in the price and/or delivery schedule will be negotiated. No terms and conditions other than those stated herein, and no agreement or understanding purporting to modify the terms and conditions stated herein, whether contained in Seller's acknowledgment, invoice, shipping form, or elsewhere, shall be binding on Buyer unless in writing and signed by an authorized representative of Buyer.