

**Admat Incorporated Purchase Order
Standard Terms and Conditions
Updated July 25, 2014**

1. Acceptance-Agreement

Seller's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first shall be deemed an effective mode of acceptance of terms and conditions of this purchase order. Prices shown on the purchase order shall be complete, and no additional charges of any type shall be added without Buyer's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing, crating.

2. Modifications

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. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph.

3. Termination for Convenience of Buyer

Buyer reserves the right to terminate this order or any part hereof for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such 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. 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 reasonably have avoided.

4. Termination for Cause

Buyer may also terminate this order or any part hereof for cause in the event of any default by the Seller, or if the Seller fails to comply with any of the terms and conditions of this offer. Late deliveries, deliveries of products which are defective or which do not conform to this order shall all be causes for Buyer to terminate this order for cause. In the event of termination for cause,

Buyer shall not be liable to Seller for any amount, and Seller shall be liable to Buyer for any and all damages sustained by reason of the default which gave rise to the termination.

5. Warranty

Seller expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Seller warrants that all such 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. Seller warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Buyer intends to use the goods or services, Seller warrants that such goods or services will be fit for such particular purpose. Seller warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance or use of the goods or services furnished hereunder shall not affect the Seller's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Seller's warranty shall run to Buyer, its successors, assigns and customers, and users of products sold by Buyer. Seller agrees to replace or correct defects of any goods or services not conforming to the foregoing warranty promptly, without expense to Buyer, when notified of such nonconformity by Buyer, provided Buyer elects to provide Seller with the opportunity to do so. In the event of failure of Seller to correct defects in or replace nonconforming goods or services promptly, Buyer, after reasonable notice to Seller, may make such corrections or replace such goods and services and charge Seller for the cost incurred by Buyer in doing so.

6. Force Majeure

Buyer may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such goods at the direction of the Buyer and shall deliver them when the cause affecting the delay has been removed. Causes beyond Buyer's control shall include governmental action or failure of the government to act where such action is required, strike or other labor trouble, fire, or unusually severe weather.

7. Proprietary Information and Confidentiality

Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless Seller obtains written permission from Buyer to do so. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Buyer in connection with this order. Seller shall not advertise or publish the fact that Buyer has contracted to purchase goods or services from Seller, nor shall any information relating to the order be disclosed without Buyer's written permission. Seller shall not, for itself or any other

person or entity directly or indirectly, circumvent Buyer's relationship with any Third Party (including supplier, customers, end users of Buyer's) or contact, communicate with, solicit to sell, or sell any products or services that are deemed to be in competition with Buyer. Nor shall Seller directly or indirectly, solicit, induce or encourage any Third Party to curtail or not to do business with Buyer.

8. Intellectual Property

A. Any copyrightable works, ideas, discoveries, inventions, patents, products, or other information (collectively "Intellectual Property") developed in whole or in part by or on behalf of Seller in connection with or relating to the Products shall be the exclusive property of Buyer. Upon request, Seller shall sign all documents and otherwise cooperate with Buyer as necessary to assign, confirm and perfect the exclusive ownership of all Intellectual Property rights in the Products to Buyer.

B. Seller agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Buyer or its agents, customers, or other vendors for alleged patent infringement, as well as for any alleged unfair competition resulting from similarity in design, trademark or appearance of goods or services furnished hereunder, and Seller further agrees to indemnify Buyer, its agents and customers against any and all expenses, losses, royalties, profits and damages including court costs and attorney's fees resulting from any such suit or proceeding, including any settlement. Buyer may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the costs of such representation shall be paid by Seller.

9. Insurance

In the event that Seller's obligations hereunder require or contemplate performance of services by Seller's employees, or persons under contract to Seller, to be done on Buyer's property, or property of Buyer's customers, the Seller agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the Buyer. Seller shall maintain all necessary insurance coverage, including public liability and Workman's Compensation insurance. Seller shall indemnify and save harmless and defend Buyer from any and all claims or liabilities arising out of the work for this purchase.

10. Indemnification

Seller shall defend, indemnify and hold harmless Buyer against all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from any handling or use of the goods or services purchased hereunder, any breach of the terms and conditions of this order, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Seller.

11. Inspection/Testing

Payment for the goods delivered hereunder shall not constitute acceptance thereof. Buyer shall have the right to inspect such goods and to reject any or all of said goods that are in Buyer's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned to Seller at its expense and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking, and reshipping such goods. In the event Buyer receives goods whose defects or nonconformity is not apparent on examination, Buyer reserves the right to require replacement, as well as payment of damages. Nothing contained in this purchase order shall relieve in any way the Seller from the obligation of testing, inspection and quality control.

12. Conflict Minerals

Seller warrants that, to its knowledge after reasonable inquiry, no tantalum, tin, tungsten and/or gold ("Conflict Minerals"), contained in any good subject to this order, originated from Angola, Burundi, Central African Republic, Democratic Republic of the Congo, Rwanda, South Sudan, Uganda, United Republic of Tanzania, The Republic of the Congo or Zambia, unless the Conflict Minerals were processed by a facility listed as compliant pursuant to the EICC-GeSI Conflict-Free Smelter Program. Seller agrees to abide by the terms and conditions in Buyer's Conflict Minerals Policy, and to define, implement and communicate to its sub-suppliers its own policy outlining its commitment to responsible sourcing, legal compliance and measures for implementation. Seller agrees to cooperate and work with its sub-suppliers to ensure traceability of Conflict Minerals at least to smelter or refiner level, to maintain and record all Conflict Minerals traceability documentation for five years, and to provide such documentation to Buyer upon request. Buyer shall have the right, at reasonable times, to inspect Seller's premises and all Conflict Minerals (as defined below) traceability documentation related to Buyer's supply chain.

13. Audit Right

Where appropriate, Buyer shall have the right to audit product quality at seller's premises.

14. Entire Agreement

This purchase order and any documents referred to on the face hereof, constitute the entire agreement between the parties.

15. Assignments and Subcontracting

No part of this order may be assigned or subcontracted without the prior written approval of Buyer.

16. Setoff

All claims for money due or to become due from Buyer shall be subject to deduction or setoff by the Buyer by reason of any counterclaim arising out of this or any other transaction with Seller.

17. Waiver

Buyer's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege or Buyer's waiver of any breach hereunder shall not thereafter waive any other terms, conditions or privileges whether of the same or similar type.

18. Delivery

Preservation and Packaging – All items shall be preserved and packaged for shipment to the best commercial practices. Packaging shall be proper for handling with commonly available commercial equipment, and sufficient to protect items from damage due to shipping. Packaging shall also conform to applicable transportation requirements. All items shall be received undamaged and fit for use. Each package, or pallet, shall weigh no more than 2000lb, and shall be numbered and labeled with Buyer's order number, stock number, contents, weight, and shall contain an itemized packing slip and a quality control report.

Time is of the essence of this contract and if delivery of items or rendering of services is not completed by the time promised, Buyer reserves the right, without liability in addition to its other rights and remedies, to terminate this contract by notice effective when received by Seller as to items not yet shipped or services not yet rendered and to purchase substitute items or services elsewhere and charge Seller with any loss incurred.

19. Flow Down

Seller shall flow down to sub-tier suppliers the applicable requirements in the purchasing documents, including key characteristics, where required.

20. Limit on Buyer's Liability-Statute of Limitations

In no event shall Buyer be liable for anticipated profits or for incidental or consequential damages. Buyer's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from this agreement or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of any description. Any action resulting from any breach on the part of Buyer as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.

21. Compliance with Laws

Seller agrees that all goods shipped to the Buyer under this agreement will be produced in full compliance with all applicable laws including, but not limited to, the Fair Labor Standards Act. Seller further agrees that it shall not engage in the employment of child, forced, indentured, involuntary, prison or uncompensated labor. Buyer may, upon notice, inspect Seller's plant and facilities at reasonable times to determine compliance with the provisions set forth herein. In addition to any other remedies contained herein, Buyer shall have the right to immediately terminate this agreement and any other agreements with Seller if it determines that Buyer is in violation of this section.

22. Choice of Law

The validity, interpretation, and performance of this Order shall be governed by the law of the State of Pennsylvania and The United States.