

TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE OF TERMS AND CONDITIONS:

- a) SELLER SHOULD ACCEPT THIS ORDER AND ANY AMENDMENTS THERETO BY SIGNING THE ACCEPTANCE COPY AND RETURNING IT TO PURCHASER PROMPTLY. HOWEVER, PERFORMANCE OF THE WORK CALLED FOR BY THIS ORDER, IN THE ABSENCE OF SELLER'S WRITTEN ACKNOWLEDGMENT THEREOF, SHALL BE DEEMED ACCEPTANCE OF THIS ORDER.
- b) BY ACCEPTING THIS ORDER, SELLER AGREES TO BE BOUND BY AND COMPLY WITH ALL THE TERMS AND CONDITIONS OF THIS ORDER, INCLUDING ANY SUPPLEMENTS THERETO, AND ALL SPECIFICATIONS AND OTHER DOCUMENTS REFERRED TO IN THIS ORDER.
- c) THIS ORDER DOES NOT CONSTITUTE AN ACCEPTANCE BY PURCHASER OF ANY OFFER TO SELL, ANY QUOTATION, OR ANY PROPOSAL. REFERENCE IN THIS ORDER TO ANY SUCH OFFER TO SELL, QUOTATION, OR PROPOSAL SHALL IN NO WAY CONSTITUTE A MODIFICATION OF ANY OF THE TERMS AND CONDITIONS OF THIS ORDER.
- d) **ACCEPTANCE OF THIS ORDER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS CONTAINED HEREIN. AN ATTEMPTED ACKNOWLEDGMENT OF THIS ORDER CONTAINING TERMS AND CONDITIONS INCONSISTENT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS OF THIS ORDER IS NOT BINDING UPON PURCHASER UNLESS SPECIFICALLY ACCEPTED BY PURCHASER IN WRITING, AND PURCHASER HEREBY OBJECTS THERETO.**
- e) PURCHASER'S FAILURE TO EXERCISE ANY RIGHTS UNDER THIS AGREEMENT SHALL NOT BE CONSTRUED AS A WAIVER THEREOF. ALL REMEDIES UNDER THESE TERMS AND CONDITIONS, OR BY LAW OR OTHERWISE AFFORDED, WILL BE CUMULATIVE AND NOT ALTERNATIVE.

2. ENTIRE AGREEMENT: These terms and conditions constitute the entire agreement between the Parties hereto and supersede all prior offers, exceptions and understandings, oral or written, and any course of prior dealings or usage of the trade not incorporated herein shall not be binding on either Party. No waiver, alteration, or modification of any of the provisions hereof shall be binding unless in writing and signed by a duly authorized representative of OI.

3. PRICES AND PAYMENT: Seller shall sell to Purchaser the products and services shown on this Agreement at the prices specified. Any forecasts provided by Purchaser to Seller shall not constitute a commitment of any type. Unless otherwise provided in writing, prices are exclusive of freight charges. No extra charges of any kind will be allowed unless specifically agreed to in writing by the Purchaser. Purchaser shall be responsible for any and all applicable sales taxes provided their amount has been provided by Seller so that it can be included in payment. Purchaser shall have no further obligation to Seller for payment of any other costs or fees expressly including but not limited to: insurance, taxes, duties, levies, customs costs, license fees, consular fees, tariffs, and other charges related thereto. Unless otherwise noted in writing and signed by the Parties, payment shall be due forty-five (45) days from Purchaser's receipt of an invoice from Seller or the actual goods. Payment by Buyer shall neither constitute acceptance of the products nor impair Buyer's right to inspect such products or invoke any available remedies.

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4. **SHIPMENT:** Unless otherwise stipulated on the face of this order, goods covered by this order shall be shipped “FOB” Seller’s plant or, if an international shipment, “FCA” (as that term is defined by Incoterms 2000) Seller’s plant. However, transportation charges on goods delivered destination must be prepaid. No charges for unauthorized transportation will be allowed. Any unauthorized shipment that will result in excess transportation charges must be fully prepaid by the Seller. Seller shall not declare any value on such material shipped via United Parcel Service, Rail Express, Air Express, Air Freight or Parcel Post. Seller shall release rail or truck shipments of the lowest released valuation permitted in the governing tariff or classification. Purchaser shall be responsible for payment of all shipping costs; excluding any additional costs incurred due to the failure of Seller to timely ship the goods as provided in (6) below. Seller shall bear all costs for packaging, materials, and delivery of goods to the designated carrier. Seller shall ensure that goods are packed and handled so as to minimize the risk of damage during delivery. This includes compliance with all governmental regulations regarding the shipping of hazardous materials. Seller shall be responsible for any loss or damage due to its own failure to pack and handle the goods in a proper manner.
5. **ANTICIPATION OF DELIVERY SCHEDULE:** Unless otherwise agreed in writing, Seller shall not make material commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Purchaser’s delivery schedule. It is Seller’s responsibility to comply with this schedule but not to anticipate Purchaser’s requirements. Goods shipped to Purchaser in advance of schedule may be returned to Seller at Seller’s expense.
6. **DEFAULT:** Time is of the essence for this Purchase Order. Except in instances of delay, which are due to causes beyond the reasonable control and without the fault or negligence of Seller and all of its suppliers, direct and indirect at every subcontract level, Purchaser may by written notice of default to Seller terminate the whole or any part of this order if: (1) Seller fails to perform within the time specified herein or any agreed upon extension or (2) if Seller fails to perform any of the other provisions of this order or fails to make progress so as to endanger performance. Seller shall have only ten (10) days to cure such failure to perform before Purchaser may terminate the order. Upon termination, Purchaser may procure, upon such terms as it shall deem appropriate, supplies or services similar to those so terminated, in which case Seller shall continue performance of this order to the extent not terminated and shall be liable to Purchaser for any excess cost for such similar supplies or services. As an alternate remedy, and in lieu of termination for default, Purchaser, at its sole discretion, may elect: (1) to extend the delivery schedule and/or (2) to waive other deficiencies in Seller’s performance, in which case an equitable reduction in the purchase order price shall be negotiated. In the event Seller, for any reason, anticipates difficulty in complying with the required delivery date, or in meeting any of the other requirements of this order, Seller shall promptly notify Purchaser in writing. If Seller does not comply with Purchaser’s delivery schedule, Purchaser may require delivery by fastest means, and charges resulting from the premium transportation must be fully prepaid and absorbed by Seller. The rights and remedies of the Purchaser provided in this clause shall not be exclusive but are in addition to any other rights and remedies provided by law, in equity, or under this purchase order.
7. **REJECTIONS:** If any of the goods ordered or services provided are found at any time prior to acceptance to be defective in material or workmanship, or otherwise not in conformity with the requirement of this order, including any applicable drawings and/or specifications, Purchaser, in addition to such other rights, remedies and choices as it may have by contract or by law, at its option and sole discretion may: (a) reject and return such goods at Seller’s expense or (b) require Seller to inspect the goods and remove and replace nonconforming goods with goods that conform to this order. If Purchaser elects option (b) above and Seller fails to promptly, within a reasonable time frame, make the necessary inspection, removal, and replacement, Purchaser may at its option inspect and sort the goods. Seller shall pay for the cost thereof. If necessary,

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Purchaser may purchase replacement goods or services and Seller shall then reimburse Purchaser for the costs associated therewith.

8. **PURCHASER'S PROPERTY:** Unless otherwise agreed in writing, all tools, equipment or material of every description furnished to Seller by Purchaser or specially paid for by Purchaser, and any replacement thereof, or any material affixed or attached thereto, shall be and remain the personal property of Purchaser. Such property, and whenever practical each individual item thereof, shall be plainly marked or otherwise adequately identified by Seller as "Property of O.I. Corporation" and shall be safely stored separate and apart from Seller's property. Seller shall not substitute any property for Purchaser's property and shall not use such property except in filling purchaser's orders. Such property while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at Seller's expense in an amount equal to the replacement cost with loss payable to Purchaser, and shall be subject to removal at Purchaser's written request, in which event Seller shall prepare such property for shipment and shall redeliver to Purchaser in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense.
9. **CHANGES:** The Purchaser may at any time, in writing, make changes within the general scope of this Purchase Order, in any one or more of the following: (i) drawing, designs, or specification where the goods to be furnished are to be specially manufactured for the Purchaser in accordance therewith; (ii) method of shipment or packing; (iii) place of delivery; or (iv) the amount of Purchaser-furnished property. If any such change causes an increase or decrease in the cost of, or the time required for the performance of, any work under this Order, whether changed or not changed, an equitable adjustment shall be made in the order price or delivery schedule, or both, and the order shall be modified in writing accordingly. Any claim by the Seller for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by the Seller of the notification of change; provided, however, that the Purchaser, if he so chooses, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Only a duly executed Purchase Order Agreement shall authorize any change in this order. However, nothing in the clause shall excuse the Seller from proceeding with the contract as changed. Seller shall not make any material changes to the goods provided for in the Order without first obtaining the consent of Purchaser.
10. **NON-ASSIGNMENT:** Assignment of this order, any interest herein, or any payment due or to become due hereunder without the written consent of the Purchaser shall be void.
11. **SET-OFF:** Purchaser shall be entitled at all times to set off any amount owing at any time from Seller to Purchaser or any of its affiliated companies against any amount payable at any time by Purchaser in connection with this order.
12. **COMPLIANCE WITH LAWS:**
 - a) Seller agrees to comply with the applicable provisions of any federal, state, or local law or ordinance and all lawful orders, rules, and regulations issued thereunder and provide documentation of such compliance where requested.
 - b) Seller shall comply with all applicable U.S. export and re-export control laws and regulations, including the Export Administration Regulations ("EAR") maintained by the U.S. Department of Commerce and the International Traffic in Arms Regulations ("ITAR") maintained by the Department of State; U.S. trade and economic sanctions including those administered by the Treasury Department's Office of Foreign Assets Control; and U.S. anti-boycott laws, including the Restrictive Trade and Boycott regulations as set forth in the EAR.

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- c) Seller warrants that each chemical substance constituting or contained in goods sold or otherwise transferred to Purchaser hereunder is on the list of chemical substances compiled and published by the Administrator of the Environmental Protection Agency pursuant to the Toxic Substances Control Act (P.L. 94-469) as amended. All required Material Safety Data Sheets, Chemical Safety Data Sheets, and other product information shall be provided to Buyer either prior to or shall accompany shipment of the goods.
- d) Seller certifies and guarantees that the goods supplied hereunder are in compliance with the Federal Consumer Product Safety Act (P.L. 92-573) as amended, if and to the extent applicable, and in compliance with applicable sections of the Federal Hazardous Substances Act (P.L. 92-516) as amended, and lawful standards and regulations thereunder.
- e) In accepting this order, Seller represents that the goods to be furnished hereunder were or will be produced in compliance with the requirements of the Fair Labor Standards Act of 1938, as amended, including section 12(a) and Seller shall insert a certificate to that effect on all invoices submitted in connection with this order.
- f) Seller certifies and warrants that the goods to be supplied hereunder are in compliance with the applicable sections of Occupational Safety and Health Act of 1970 (P.L. 91-596; Title 29, U.S.C. Sec. 651 et seq) and lawful regulations there under.
- g) Seller certifies and warrants that the goods to be supplied hereunder are in compliance with the applicable sections of the Radiation Control for Health and Safety Act of 1968 (P.L. 90-62; Title 42, U.S.C. Sec. 263b-263n) and the lawful regulations thereunder.
- h) Seller agrees to comply with the equal employment opportunity clauses prescribed by executive orders 11246, 11375, 11625, 11701 and 11758 regarding non-discrimination because of race, creed, color, sex, age, national origin, physical or mental disability, or veteran status.

13. INSPECTION:

- (a) All items to be delivered and services rendered hereunder shall be subject to inspection and test by Purchaser to the extent practicable at all times and places including the period of manufacture, and Purchaser shall have access to all areas on the premises of Seller or its suppliers in which work under any resulting order is being performed. Seller and its suppliers shall provide all reasonable facilities and assistance for such inspection and the safety and convenience of Purchaser's inspectors and shall make available to such inspectors copies of drawings, specification, and process, preservation and package data applicable to the item to be inspected.
- (b) All items to be delivered and services rendered hereunder shall be subject to final inspection and acceptance by Purchaser at destination, notwithstanding any payments or inspection at source. Purchaser shall accept or give notice of rejection of items or services delivered hereunder within a reasonable time after receipt, but failure to inspect, accept or reject, shall neither relieve Seller from responsibility for such items, as are not in accordance with the order requirements, nor impose liability on Purchaser therefore.
- (c) Seller shall provide and maintain an inspection and process control system acceptable to Purchaser and its Customer covering the goods and services hereunder. Records of all inspection work by Seller shall be kept complete and available to Purchaser and its Customer during the performance of this contract and for at least three years after final payment under or as otherwise provided in this order.

14. FOR WORK ON PURCHASER'S OR ITS CUSTOMER'S PREMISES: If Seller's work under the order involves operations by Seller on the premises of Purchaser or one of its customers, Seller shall take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work and except to the extent that any such injury is due solely and directly to Purchaser's or its customer's negligence, as the case may be, shall indemnify Purchaser against all loss which may result in

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any way from any act or omission of the Seller, its agents, employees, or subcontractors, and Seller shall maintain such Public Liability Property Damage and Employee's Liability and Compensation Insurance as will, in Purchaser's sole judgment, protect Purchaser from said risks and from any claims under any applicable Worker's Compensation and Occupational Disease Acts. While working on the premises of Purchaser or one of its customers, Seller shall instruct its agents, employees and subcontractors to observe all applicable safety and security rules and regulations of the Purchaser or its customer, and upon notice from Purchaser that such rules are not being observed, shall cause the offending individual to leave such premises.

15. **INSOLVENCY:** If Seller ceases to conduct its operations in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors is made by the Seller, Purchaser may terminate this order without liability, except for deliveries previously made or for goods covered by this order then completed and subsequently delivered in accordance with the terms of the order.
16. **TERMINATION:** Purchaser may terminate all or any part of this order at any time by written notice to Seller, and Seller shall take immediate actions to effectuate such termination. Seller shall promptly submit its termination settlement proposal in writing and Purchaser and Seller shall negotiate and agree on reasonable termination charges, excluding anticipatory profits.
17. **OVERSHIPMENTS:** It is Seller's responsibility to furnish the quantities called for on this order. No lesser quantities than those quantities specified herein will be accepted as compliance with this order, and Purchaser shall have the right to retain any overshipments and consider them as having been delivered within the total price set forth in the Purchase Order at no change in price or additional cost to Purchaser.
18. **WARRANTIES:**
 - a) Seller warrants that all goods and services sold hereunder or pursuant hereto will be free of any claim of any nature by any entity or third person and that Seller will convey clear title thereto to Purchaser as provided hereunder.
 - b) Seller warrants and represents that all goods and services sold hereunder or pursuant hereto will be of merchantable quality, free from all defects in design, workmanship and materials and will be fit for the particular purposes for which they are purchased and that the goods are provided in strict accordance with the specifications, samples, drawings, designs or other requirements (including performance specifications) approved or adopted by Purchaser.
 - c) Any attempt by Seller to limit, disclaim, or restrict any such warranties or remedies of Purchaser, by acknowledgement or otherwise, in accepting or performing this order, shall be null, void, and ineffective without Purchaser's written consent.
19. **CUSTOMS REQUIREMENTS:** Seller shall comply with all applicable customs requirements and, upon request, shall furnish proof of compliance to Purchaser.
20. **CONFIDENTIAL INFORMATION:** Seller shall keep confidential any technical, process or economic information derived from software, drawings, specifications and other data furnished by Purchaser in connection with this order and shall not divulge, export, or use directly or indirectly, such information for the benefit of any other party without obtaining Purchaser's prior written consent. Except as required for the efficient performance of this order, Seller shall not make copies or permit copies to be made of such software, drawings, specifications, or other data without the prior written consent of Purchaser. If any

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reproduction is made with prior consent, this notice shall be provided thereon. Upon completion or termination of this order, Seller shall promptly return to Purchaser all materials and any copies thereof, except for one record copy, incorporating any such information. Seller shall not, under any circumstances, sell or disclose any product designs created by OI for production by Seller without OI's express prior written consent.

21. **INFORMATION DISCLOSED TO PURCHASER:** Any knowledge or information which the Seller shall have disclosed or may hereafter disclose to the Purchaser in connection with the purchase of the goods or services covered by this order, shall not, unless otherwise specifically agreed upon in writing by the Purchaser, be deemed to be confidential or proprietary information, and shall be acquired free from any restrictions (other than a claim for patent infringement), as part of the consideration for this order.
22. **PATENTS:** Seller shall defend and indemnify Purchaser in any suit or proceeding commenced against Purchaser and/or its customers from and against any suit or proceeding based upon a claim that any item, or any part thereof furnished under this order constitutes an infringement of any patent, utility mode, industrial design, copyright, mask work, or trademark. Seller shall pay any and all damages and costs awarded against Purchaser and its customers expressly including but not limited to all costs, attorney's fees, settlements, and damages of any kind. In case said item, or any part thereof, is in such suit held to constitute an infringement and the use of said item or part is enjoined; the Seller shall, at its own expense and at its option, either procure for the Purchaser the right to continue using said item or part; or replace same with a non-infringing item or part; or modify the item or part so it becomes non-infringing. If use of the Product is enjoined by a Court and Seller determines that none of these alternatives is available, Seller will take back the Product and refund its depreciated value.
23. **LICENSES:** Seller agrees to provide Purchaser with a non-exclusive, royalty-free world-wide license to use, import, reproduce, and distribute any and all software which may be included with goods purchased.
24. **MINORITY SUPPLIERS:** Seller agrees to use his best efforts to carry out the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate to the fullest extent consistent with efficient performance of this contract.
25. **SMALL BUSINESS UTILIZATION:** Seller agrees to use his best efforts to afford small business concerns the maximum practicable opportunity to participate to the fullest extent consistent with the efficient performance of this contract.
26. **NON-DISCRIMINATION IN EMPLOYMENT:** Seller agrees not to discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin.
27. **JURISDICTION:** ALL QUESTIONS CONCERNING THE VALIDITY AND OPERATION OF THIS AGREEMENT AND THE PERFORMANCE OF THE OBLIGATIONS IMPOSED UPON THE PARTIES UNDER THIS AGREEMENT WILL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

ANY CLAIM OR DISPUTE CONCERNING, RELATING TO, OR ARISING OUT OF THIS AGREEMENT SHALL BE RESOLVED BY BINDING ARBITRATION CONDUCTED BY A NEUTRAL ARBITER SELECTED BY THE AMERICAN ARBITRATION ASSOCIATION AND IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION OR SUCH OTHER RULES AS MAY BE AGREED TO IN WRITING BY THE PARTIES.

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The arbitration shall be conducted in College Station, Texas, in the English language before one arbiter unless otherwise agreed upon by the Parties. The prevailing Party in any arbitration under this Agreement shall be entitled to recover from the other as part of the arbitration award reasonable costs and fees, including reasonable attorneys' fees. Any arbitration award may be enforced by a court of competent jurisdiction in accordance with the laws of the State of Texas. In the event that legal action to enforce the arbitration award is necessary, the prevailing Party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees, in such action and in any appeals therefrom or reviews thereof (whether incurred at the trial or appellate level, in arbitration, in bankruptcy, including without limitation, any adversary proceeding, contested matter or motion, or otherwise).

28. **LIMITATION OF LIABILITY:** IN NO EVENT SHALL BUYER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, RELIANCE, PUNITIVE, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF: USE OF FACILITIES OR EQUIPMENT, REVNEUE, BUSINESS, DATA OR INFORMATION, PROFITS, OR GOODWILL) OR OTHER DAMAGES WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE REGARDLESS OF WHETHER BUYER HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.
29. **HEADINGS:** The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.
30. **SEVERABILITY:** If any provision of this Agreement is found to be invalid or unenforceable as to any person or circumstance, such findings shall not render that provision invalid or unenforceable as to any other persons or circumstances and shall not impact the enforceability of the remaining portions of this Agreement. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability and validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.
31. **CONDITIONS SUBJECT TO CHANGE:** These terms and conditions are subject to change at any time without notice.