GENERAL PURCHASE TERMS AND CONDITIONS



1. Acceptance

1.1. Commencement of performance pursuant to this Purchase Order constitutes acceptance hereof by Seller. If specified delivery dates cannot be met, Seller shall notify AUSA promptly of Seller's best alternative proposed delivery date, which AUSA may accept or reject. The terms of this Purchase Order may not be modified, superseded, or amended except in a writing signed by an authorized representative of AUSA. Each shipment received by AUSA shall only be upon the terms of this Purchase Order, notwithstanding any terms contained in any quotation, acknowledgment, invoice, or other form of Seller, or AUSA's acceptance of, or payment for, any shipment or any other act.

2. Deliveries

- **2.1.** Time is of the essence in this transaction. If delivery of the Goods is delayed herein for any reason including, without limitation, Seller's insolvency, bankruptcy, or assignment for the benefit of creditors, Buyer reserves the right without liability (in addition to its other rights and remedies) to cancel this order by written or electronic notice, or verbal notice confirmed in writing (which notice shall be effective when received by or communicated to Seller) as to any of the Goods not shipped, to purchase substitute Goods elsewhere, and to charge Seller with any loss incurred. Unless otherwise specifically agreed to by AUSA, any provision for delivery of the Goods in installments shall not be construed as making the obligations of Seller severable.
- **2.2.** In the event that the Seller cannot comply with the delivery term of the goods, it shall provide a price reduction of 0.5% (point five percent) for each day of delay up to a maximum of 10% of the total amount of the invoice, which covers the goods supplied pursuant to the corresponding purchase order. AUSA may set-off the price reduction described above from the price owed for the goods described in the purchase order without any prior judicial notice, with the understanding that the document herein is a full authorization for said purposes.
- **2.3.** Shipment shall be properly packed and shipped only be a licensed carrier over the least expensive route, unless otherwise instructed by AUSA. Seller shall notify AUSA at the time the Goods are shipped and shall send AUSA a copy of the bill of lading or shipping document and the packing list applicable hereto. All such documents and correspondence shall refer to Buyer's Purchase Order number. Packing lists must bear a complete description of the Goods shipped.

3. Price and Payment

3.1. Prices or billing amounts shall not exceed the prices stated on the Purchase Order without the prior written consent of AUSA. The prices stated include packing, crating, and transportation to the point shown in the quoted delivery term. Seller agrees that any price reduction applicable to the ordered Goods subsequent to the order date but prior to delivery will be applicable to this Purchase Order. Seller shall mail the invoice for the Goods to AUSA. The cash discount period, if any, will date from AUSA's receipt of the ordered goods or from the date of the invoice, whichever is later. AUSA reserves the right to refuse any shipments sent C.O.D. Except for charges to taxes as provided below, AUSA will not be responsible for any charge not shown on the face of this Purchase order without AUSA's prior written consent to such charges in advance.

4. Termination

4.1. AUSA may, at any time, terminate this Purchase Order for its convenience, in whole or in part, by written notice to Seller. If so terminated, any claim of Seller shall be settled on the basis of and limited to the reasonable cost incurred by Seller prior to AUSA's notice.

5. Intellectual Property Rights

5.1. Seller warrants that the Goods do not infringe upon or constitute an unauthorized use of any patent, trade secret, copyright, or other intellectual property right, and Seller agrees to defend at Seller's

expense all claims, suits, actions, or proceedings, in law or equity, brought against AUSA, its successors, assigns, customers, and users of any of the Goods based on a claim for actual or alleged infringement or unauthorized use of any such patent, copyright, trade secret, or other intellectual property rights resulting from or arising out of the sale of the Goods. Seller further agrees to pay and discharge any and all judgments, decrees, penalties, and settlements which may be rendered or reached in any and all such claims, suits, actions, or proceedings against AUSA, its successors, assigns, customers, and users

6. Quality Assurance

- **6.1.** Seller warrants that the Goods delivered pursuant to this Purchase Order shall be of good materials and workmanship, free from defects, and shall conform to the specifications, drawings, or samples specified or furnished to AUSA. The Goods shall be delivered without any encumbrance, tax or limitation on ownership. This warranty shall survive any inspection, delivery, acceptance, or payment by AUSA. Seller also warrants that all Goods delivered hereunder shall be merchantable and fit for their intended purpose.
- **6.2.** Seller agrees to defend and indemnify AUSA for any claim by a third party who claims that he or she was injured by the Goods due to a defect not attributable to AUSA.

7. Defective Goods

- 7.1. If any of the Goods fails to comply with any term of this Purchase Order, Seller shall promptly correct such discrepancy or replace such Goods at Seller's expense following notice of such discrepancy from AUSA. If Seller should fail to so act within five (5) days of receiving such notice, AUSA may cancel this Purchase Order as to all such Goods by giving Seller notice, and in addition to its rights and remedies hereunder and at law and equity, AUSA may, at its option, cancel the then remaining balance of this Purchase Order by notice and as to all or any part of the Goods, purchase substitute Goods elsewhere and charge Seller with any loss incurred.
- **7.2.** After notice to Seller of a discrepancy, all such Goods will be held at Seller's risk until the discrepancy is corrected or such Goods are returned to Seller. AUSA may, and at Seller's direction shall, return such Goods to Seller at Seller's risk, and all transportation charges, both to and from the original destination, shall be paid by Seller. Any payment made by AUSA for such Goods shall be refunded by Seller, unless Seller promptly corrects the discrepancy or replaces the Goods at Seller's expense.

8. Excess Goods

8.1. Except for quantities of Goods in excess of those ordered constituting customary quantity variations common to the trade or industry, any quantity of Goods in excess of the amount ordered need not be accepted, and such excess goods may be received, held, and returned to Seller by AUSA at Seller's risk and expense.

9. Inspection and Acceptance

9.1. All Goods are subject to AUSA's inspection, testing, and approval, both at Seller's plant and at AUSA's point of destination. AUSA reserves the right to reject and refuse acceptance of any Goods which do not comply with all of the terms of this Purchase Order. Acceptance, payment, use, or resale of the Goods by AUSA shall not release Seller from any of Seller's obligations, representations, or warranties hereunder. Payment for any Goods shall not be deemed an acceptance thereof.

10. Fabrications and Material Commitment

10.1. AUSA shall not be responsible for any of Seller's commitments for materials or fabrication in advance of the time necessary to meet delivery dates specified herein unless agreed to by AUSA in writing in advance.

GENERAL PURCHASE TERMS AND CONDITIONS



11. Compliance with Law

11.1. Seller shall comply with the provisions of all applicable federal, state, and local laws, regulations, rules, and ordinances applicable to this Purchase Order and the Goods including, without limitation, any fair labor standards or statutes and any statute or regulation regulating occupational safety and health. Seller shall, following AUSA's reasonable request, certify such compliance to AUSA in writing.

12. AUSA's Property

12.1. Unless otherwise agreed in writing, all drawings, specifications, tools, dies, molds, jigs, patterns, machinery, fixtures, equipment, software, and any other property furnished to Seller by AUSA or paid for by AUSA for use in the performance of this Purchase Order shall be and remain the sole property of AUSA, subject to removal upon AUSA's instruction, held at Seller's risk and kept insured by Seller while in Seller's custody or control. The insurance shall be in an amount equal to the replacement cost thereof.

13. Taxes

13.1. Except as otherwise provided, the prices stated do not include sales, use, excise, or similar taxes applicable to the sale of Goods. All such taxes and charges shall be shown separately on Seller's invoice.

14. Assignment

14.1. Seller shall not delegate any duties nor assign any rights or claims under this Purchase Order without the express prior written consent of AUSA. Any assignment or delegation made without AUSA's consent shall be null and void.

15. Remedies

15.1. No remedy provided herein shall be deemed exclusive of any other remedy available at law or equity. All claims for monies due or to become due from AUSA shall be subject to deduction by AUSA for setoff or counterclaim arising out of this or any other of AUSA's Purchase Orders to Seller.

16. Relationship

16.1. The parties hereto are not agents of the other party and may not bind the other party without its consent.

17. Confidentiality

17.1. Both parties shall abstain from divulging the other's confidential information to third parties or from using the other party confidential information for its own benefit, without the written consent of the other party. In addition, the parties agree to take the preventive steps necessary to prevent their respective employees, during their employment or once they stop rendering their services, from revealing the other party's confidential information to third parties.

18. Governing Law

18.1. This Purchase Order and the acceptance of it shall constitute a contract made in, and to be governed in all respects by, the laws of the state of Florida. Any disputes arising out of or related to this Purchase Order shall be resolved in the courts of Broward County, Florida.

19. Notices

- 19.1. Any notice required or otherwise given pursuant to this Purchase Order shall be in writing and shall be hand delivered, mailed certified mail, return receipt requested, postage prepaid or sent by a recognized delivery service. Any notice to AUSA shall be addressed to 18503 Pines Boulevard, Suite 313, Pembroke Pines, Florida 33029, U.S.A. Any notice to Seller shall be directed to the address of Seller shown on the Purchase Order.
- **19.2.** I/We hereby acknowledge the above terms and conditions of Buyer.