

SESCo, Inc. Terms and Conditions

- 1) **Terms and Conditions:** Unless this purchase order ("Order") is issued pursuant to an **existing** executed procurement agreement between System Engineering Support Company, Inc. ("SESCo") and **an** identified seller ("Seller"), this order and any attachments shall be the sole agreement between SESCO and Seller with respect to the goods ("Goods") and/or services ("Services") specified herein.
- 2) **Acceptance:** Any of the following acts by Seller shall constitute acceptance of this order and applicable terms and conditions specified on the Order: (1) acknowledging receipt of this order via email or fax to the Point of Contact listed on purchase order, (2) delivery of any goods ordered.
- 3) **Price:** Seller shall furnish the goods stated on this Order in accord with the quoted price, delivery and terms stated on its face Except as otherwise specifically excluded in the Order. Pricing on the Order is inclusive of applicable value added tax (Order will state if goods are to be Tax Exempt) and any freight charges.
- 4) **Delivery:** The quantity ordered **is expected** be delivered in full. Any quantity **delivered short of the intended order quantity** is subject to rejection and return at Seller's expense **unless prior agreement with SESCO has been established**. If there is a failure to ship the Goods or Services on or before the Delivery Date either as a full delivery or a portion of Goods and/or Services, Seller shall promptly notify SESCO. SESCO at its option may either approve a revised delivery schedule or terminate the Order either in whole or in part without liability. Seller shall be responsible for any cost increase in the **unit cost or** shipment of Goods due to its failure to meet the Delivery Date and/or if such method does not comply with SESCO's shipping instructions.
- 5) **Packing and Shipping:** Seller shall not charge for packaging or storage. Goods shall be packaged, marked and prepared in accord with best commercial practices and marked and labeled as required by all applicable laws and regulations. Itemized packing list must accompany each shipment. In the event of carrier's damage, loss, or mis delivery of the Goods, it shall be the responsibility of the Seller to deal with the carrier.
- 6) **Payment Terms:** All terms are net thirty (30) days unless otherwise agreed in writing, following the receipt of a valid invoice or receipt of Goods, whichever is later. No invoice may be dated or submitted earlier than date of Delivery. Any prompt payment discount will be calculated from the date of receipt of the Goods. Payment by SESCO will not constitute acceptance of Goods and/or Services, nor impair SESCO's right to inspect **and reject**. Acceptance shall be when SESCO deems the Goods or Services to meet its specified criteria.
- 7) **Changes or Cancellation:** Seller shall not make any process or design changes affecting Goods or Services without SESCO's prior written consent. SESCO may, without charge, change or cancel all or any part of the undelivered portion of this Order including, without limitation, quantity required, if Seller does not make deliveries as specified, or if Seller breaches any of the terms hereof, including, any warranties provided by the Seller.
- 8) **Inspection and Acceptance:** All Goods received **are** subject to SESCO's right of inspection and rejection. **SESCo reserves the right to have any goods tested by independent testing facilities, which may include destructive testing, to validate goods are authentic and not counterfeit or recovered goods.** Goods not in accord with SESCO's Order or specifications will be returned to the Seller for replacement, credit or refund. If inspection discloses that any portion of the Goods received are not in accordance with SESCO's specifications, **SESCo reserves the right to reject the entire quantity of goods received as suspect.** SESCO shall have the right to cancel any unshipped/**undelivered** portion of this Order.
- 9) **Quality:** Seller shall maintain a quality system that ensures compliance for all Goods and/or Services set forth in this Order. Goods and Services shall meet any applicable, industry standards, SESCO specifications **and any additional requirements set forth in this Order by SESCO.** If requested, Seller shall provide SESCO with a copy of Seller's quality manual and other supporting inspection or test documentation.

- 10) Warranty:** Seller shall warrant that merchandise sold to SESCo will be free from defects in material and workmanship. The Seller shall provide warranty beginning from the delivery date to SESCo. The warranties of Seller, together with any service guarantees, shall run to SESCo and its heirs, successors or assignees.
- 11) Indemnity:** Seller shall **indemnify itself** and holds SESCo and its officers and employees harmless against any and all losses, claims or actions for personal injury or property damage caused by goods furnished or Services performed by Seller pursuant to this Order.
- 12) Applicable Laws:** Seller warrants that the Goods covered by this Order were not manufactured, sold or priced in violation of any applicable law, and that Goods shipped under this Order will be produced in compliance with the Fair Labor Standards Act.
- 13) Proprietary Information:** All written and technical information obtained by Seller from SESCo in connection with this Order and which is identified as proprietary is received in confidence by the Seller and shall remain property of SESCo. Such information shall be used and disclosed by Seller only to the extent necessary for Seller's performance.
- 14) Patents:** Seller, its heirs, successors, assignees and legal representatives, shall forever protect, indemnify and save harmless SESCo, its agents, successors or assignees, against all claims, suits, judgments, court costs, attorney's fees and other liabilities, demands or losses in any manner arising out of alleged infringement of any patent copyright or trademark rights because of their possession, use or sale on Seller designed and supplied items, provided that Seller **is** notified of the bringing of said suit. Seller shall have the right to be represented in the defense thereof by counsel of its own selection and at its own expense.