

STANDARD WIRE & CABLE CO. PURCHASING TERMS & CONDITIONS

1. DEFINITIONS. As used herein, "BUYER" means STANDARD WIRE & CABLE CO., "SELLER" means the party identified on the face of this order. For the purpose of furnishing the "Articles" described herein, "Subcontract" means either purchase order, or subcontract, and "Article(s)" means all item(s), work or services constituting the subject matter of this order to be furnished by SELLER. "BUYER'S Authorized Representative" means the person or persons authorized by BUYER to alter, modify or change the provisions of this order. "Change Order" means a written order entitled "Change Order" issued by "BUYER" in accordance with Section 7 hereof.

2. SPECIFICATIONS. All Articles ordered to BUYER'S specifications must comply with such specifications current as of the date of this order unless otherwise specified in by BUYER. All specifications, drawings and data submitted to SELLER with this order are hereby incorporated herein and made a part hereof.

3. PRICES, TERMS AND INVOICES. The prices for the Articles ordered hereunder are those specified on the face of this order. No charges shall be made for shipping, handling, delivery, taxes, or other extras unless specified in this order. Payment is contingent upon acceptance of the Articles by BUYER.

4. WARRANTY. (a) In addition to any warranty implied by fact or law, SELLER expressly warrants that all Articles ordered to specifications will conform thereto and to the samples or other description furnished by BUYER, or if not ordered to BUYER'S detailed specifications, will be fit and sufficient for the purpose intended. In either event, SELLER warrants that all Articles will be merchantable, of good material and workmanship, and free from defects, (b) In addition to any other remedies available in law or equity for breach of the above warranties, BUYER may, at its option, (i) return non-conforming Articles to SELLER at SELLER'S risk and expense for correction, replacement or full credit as BUYER may direct in its sole discretion, (ii) retain and correct non-conforming Articles at SELLER'S expense, or (iii) cover or replace non-conforming Articles at SELLER'S expense, (c) All warranties shall inure to BUYER, its successors, assigns, customers and users. All warranties shall exist notwithstanding the acceptance in whole or in part by BUYER of the Articles. Nothing in Sections 5 and 6 hereof shall relieve the SELLER from obligation to comply with the provisions of this warranty section.

5. QUALITY CONTROL. Seller shall provide and maintain a quality control system acceptable to BUYER; During performance of this order, SELLER'S quality control, inspection system and manufacturing processes are subject to verification and analysis by BUYER and BUYER'S Authorized Representative.

6. INSPECTION. (a) All Articles shall be subject to inspection and test at all times, places, including the period of manufacture, by BUYER, its successors, assigns, and customers. All Articles are also subject to final inspection and acceptance at destination notwithstanding any payments or other prior to inspection, (b) the SELLER shall provide and maintain inspection system in accordance with sound business practice and as otherwise provided in this order. Records of all inspection work by the SELLER shall be kept complete and available to BUYER, its successors, assigns, customers and users during the of this order and for such longer period and in such manner as may be specified in this order, (c) BUYER may reject and hold at SELLER'S expense, subject to SELLER'S reasonable disposal instructions. Articles which do not conform to applicable specifications, drawings, samples or descriptions or which are defective in material, workmanship or design unless such design is BUYER'S detailed design.

7. CHANGES. (a) Buyer may at any time by a Change Order and without notice to SELLER, suspend performance or make changes within the general scope of this order in any one or more of the following: (i) quantities; (ii) drawings, designs or specifications; (iii) method of shipping and packing; (iv) place of inspection, acceptance or point of delivery; and (v) delivery schedule. Should any change increase or decrease the cost of or the time required for performance of this order, an equitable adjustment may be requested by SELLER or BUYER in the price, or delivery schedule, or both. No request by SELLER for adjustment will be valid unless submitted to BUYER within ten (10) days from the date of such change, and shall be accompanied by an estimate of charges for redundant material or work in process.

8. SHIPMENT. (a) If the terms of this order require delivery F.O.B. place of, (1) shipment, the SELLER must at that place (i) ship the Articles; (ii) bear the expense and risk of them into the possession of the carrier and (iii) at SELLER'S risk and expense, load the Articles on board. (2) destination, the SELLER must at his own expense and risk transport the Articles to that place and tender delivery of them to BUYER, (b) The price includes all charges for packing and packaging (including returnable containers) and for transportation to the delivery point, SELLER shall bear the risk of loss on rejected Articles after receipt of notice from BUYER of such rejection.

9. DELIVERY SCHEDULE. (a) Time is of the essence of this order, (b) if at any time it appears to SELLER than any delivery schedule cannot be met; SELLER shall notify BUYER as soon as possible to (1) the cause or causes therefore; (2) the action being taken to remove such cause or causes; and at SELLER'S expense; SELLER shall take action necessary with or without request of BUYER to meet such schedules as set forth herein or to recover, to the maximum extent possible. BUYER at its option, may return or store at SELLER'S expense any Articles delivered in advance of delivery dates specified for such Articles.

10. TERMINATION. (a) This order may be terminated by BUYER at its option, in whole or in part at any time with written notice to SELLER and whenever SELLER (i) refuses or fails to make deliveries of Articles under this order or any other purchase order issued by BUYER to SELLER with the time specified in the relevant order or (ii) otherwise defaults the performance of this order or any other purchase order issued by BUYER to SELLER; (b) SELLER shall not include in any claim submitted hereunder any cost of design, engineering or development or any cost for special tooling or special test equipment, unless specifically ordered by BUYER as a separate item of work separately priced; (c) SELLER AGREES THAT ITS FAILURE TO SUBMIT SUCH CLAIM OR CLAIMS WITHIN THE APPLICABLE TIME PERIOD SHALL CONSTITUTE A WAIVER THEREOF UNLESS SELLER REQUESTS IN WRITING PRIOR TO EXPIRATION OF THE APPLICABLE TIME PERIOD THAT A TIME EXTENSION FOR FILING ITS CLAIM OR CLAIMS BE GRANTED BY BUYER. ANY SUCH EXTENSION, IF APPROVED, SHALL BE EFFECTIVE ONLY IF AUTHORIZED IN WRITING BY BUYER, PRIOR TO FINAL SETTLEMENT OF ANY

TIMELY FILED CLAIM OR CLAIMS PROVIDED THAT SUCH REVISIONS DO NOT INTRODUCE DIFFERENT AREAS OF COST OR CLAIM ELEMENTS.

11. PROPRIETARY DESIGN. To the extent that the Articles are produced to detailed designs not originated and furnished by BUYER or by a process or method, the use of which is not specifically directed by BUYER. BUYER shall have no responsibility to SELLER for infringement of any patent, trademark, copyright, trade secret or other proprietary right and SELLER guarantees that the sale or use of such Articles or the use of such process or method hereunder will not infringe any United States or foreign patent, trademark, copyright, trade secret or other proprietary right. SELLER shall defend, indemnify and hold BUYER and its customers and users harmless from all loss, cost, damage, expense (including attorney's fees) or liability which may be incurred on account of infringement or alleged infringement of any patents, trademarks, copyrights, trade secrets or other proprietary rights with respect to such Articles, and defend, at its own expense, any action or claim in which such infringement is alleged by third parties, provided SELLER is notified of such actions or claims against BUYER, its customers and users.

12. REPRODUCTION. SELLER shall not reproduce any Article or part thereof designed or furnished by BUYER and shall not reproduce, use, supply or disclose any data, designs or other information (including information regarding such Articles or any equipment, tools or materials used therefor or therein) belonging to or supplied by or on behalf of BUYER, except as necessary in the performance of orders for BUYER. Upon BUYER'S request, such data, designs, or other information and any copies thereof, shall be returned to BUYER. BUYER shall be considered the "person for whom work was prepared" for the purpose of authorship in any copyrightable work created by SELLER under this order. SELLER shall not incorporate in other products or articles any special features of design or manufacture peculiar to the Articles contracted for hereunder.

13. GOVERNING LAW. This order shall be governed by and construed according to the laws of the State of California.

14. ARBITRATION. Any controversy or claim arising out of or relating to this order or the breach hereof shall be finally settled by arbitration to be held in the County of Los Angeles in accordance with the rules of the American Arbitration Association; provided, however, the arbitrator shall be bound by California law. Judgment upon any award rendered in such arbitration may be entered by any court of the United States having competent jurisdiction. Either party shall have the right to appeal the arbitrator's judgment as if the matter had been decided by judicial trial. In the event arbitration is impossible for any reason, the parties hereby submit to the jurisdiction of the State and Federal courts of California located in the County of Los Angeles and each hereby irrevocably consents to the service or process by certified or registered mail to the addresses set forth herein. The successful party in any such arbitration or action shall be entitled to recover from the unsuccessful party, in addition to any other relief to which it may be entitled, reasonable attorneys' fees and costs incurred by it in prosecuting or defending such action.

15. ASSIGNMENT. SELLER may not assign this order or any rights thereunder, including monies due or to become due, without the written approval of BUYER, which approval may be withheld in BUYER'S sole and absolute discretion.

16. INDEMNIFICATION. SELLER shall defend, indemnify, and hold harmless BUYER, its officers, employees and agents from any claim, suit, loss, cost, damage, expense (including attorney's fees) or liability by reason of property damage or personal injury (including death) to any person, including SELLER'S employees, of whatsoever nature or kind arising out of, as a result of or in connection with any act or omission of SELLER, its officers, employees, agents or subcontractors at any tier. SELLER shall take all precautions necessary, special or otherwise, and shall be responsible for compliance with all Federal, State and local safety laws in the performance of work hereunder. Without in any way limiting the foregoing undertakings SELLER and its subcontractors at any tier shall maintain public liability and property damage insurance in reasonable limits covering the obligations set forth and shall maintain proper Worker's Compensation insurance covering all employees performing under this order.

17. LABOR DISPUTES. Whenever any actual or potential labor dispute develops or threatens to delay the timely performance of this order, SELLER shall immediately give notice thereof, including all relevant information with respect thereto, to BUYER. SELLER shall include the substance of this provision in its orders issued hereunder.

18. DISCLOSURE OF INFORMATION. SELLER shall not without prior written consent of BUYER, disclose information relative to this order, except as may be required to insure performance.

19. ADVERTISING. SELLER shall not without prior written consent of BUYER in any manner advertise or publish the fact that BUYER has placed this purchase order.

20. GRATUITIES. BUYER may, by written notice to SELLER, terminate for default the right of SELLER to proceed under this order if BUYER has reasonable cause to believe that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by SELLER, or any agent or representative of SELLER, to any officer or employee of with a view toward securing this order or securing favorable treatment with respect to amending the making of any determinations with respect to the performance of this order. The rights and remedies of BUYER provided in this clause shall not be exclusive, and are in addition to any other rights and remedies provided by law or under this order.

21. NON-EXCLUSIVE RIGHTS AND REMEDIES. The rights and remedies herein reserved to BUYER shall be cumulative and additional to any other or further rights and remedies provided in law or equity.

22. ORDER NON-SEVERABLE. Any provisions of this order for delivery of Articles or the rendering of services by installments shall not be construed as making the obligations of SELLER severable.

23. COMPLIANCE WITH LOCAL, STATE AND FEDERAL LAW. In the performance of this order, SELLER agrees to comply with all applicable local, State and Federal laws and executive orders and regulations issued pursuant thereto and agrees to indemnify BUYER against any loss, cost, damage or liability by reason of SELLER'S violation of this Section.

24. WAIVER. The failure of BUYER in any one or more instances to insist on any of the provisions of this order shall in no way be construed to be a waiver of such provisions in the future.