



ILI VENDOR PURCHASE ORDER TERMS AND CONDITIONS

1. **CONTROLLING TERMS AND CONDITIONS.** These Purchase Order Terms and Conditions, together with other documents signed or referenced in documents signed by Industrial Louvers, Inc. ("ILI"), constitute the entire contract (the "Contract") between ILI and Vendor with respect to the purchase of the goods and the provision of any services (collectively, "Goods") by ILI from Vendor and supersede all prior verbal and written understandings, promises and agreements. Any contrary, different or additional terms or conditions in a sales agreement, quote, sales confirmation or any other communication from Vendor are expressly rejected unless contained in a written document signed by an authorized officer of ILI that specifically references the Contract by name and such contrary, different or additional provisions are individually initialed by ILI. Vendor expressly agrees that no collateral contracts, terms, conditions, warranties, promises or undertakings exist between Vendor and ILI with respect to the purchase of the Goods.
2. **OFFER.** This order is an offer to purchase and is a binding contract when accepted by Vendor, including by Vendor delivering any of the Goods or otherwise commencing performance. The price for the Goods is fixed as stated in the Contract. No price increase or price escalator applies and no additional charges, taxes, tariffs, charges or extras may be charged to ILI unless expressly agreed to in writing by ILI. ILI reserves the right to cancel and change the Contract subject to payment of actual expenses incurred by Vendor prior to the date of cancellation or due to changes.
3. **DELIVERY SCHEDULE.** Unless otherwise agreed in writing, Vendor shall not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet ILI's delivery schedule. It is Vendor's responsibility to comply with ILI's stated delivery schedule, but not to anticipate ILI's requirements. Except as otherwise stated, deliveries are FOB ILI and time is of the essence and Vendor is liable for charges and damages due to Vendor's late delivery.
4. **SPECIFICATIONS.** ILI's offer to purchase is based on the specifications, drawings, samples, and any other requirements communicated to Vendor by ILI. Vendor expressly warrants that all Goods will conform to all of these requirements, and will be merchantable, of good material and workmanship, free from defect, and fit for the purposes of ILI.
5. **REJECTIONS.** If any of the Goods are not timely delivered or at any time are found to be defective in material or workmanship, or otherwise not in conformity with the requirements of the Contract, whether or not such Goods have been previously accepted by ILI or any prior payment has been made with respect to such Goods, in addition to any other rights which ILI may have under warranties or otherwise, ILI shall have the right to reject and return all of the Goods at Vendor's expense. In addition to any other applicable rights, ILI shall be entitled to require, at ILI's option, replacement, repair or refund of amounts paid with respect to such Goods. If removal and/or replacement of nonconforming Goods is needed, any costs associated therewith will be the responsibility of Vendor, including but not limited to installation and repair/replacement of site conditions. No shortage or excess quantity of Goods is permitted without prior written consent of ILI.
6. **INVOICES.** Invoices in duplicate **MUST BE MAILED IMMEDIATELY AFTER SHIPMENT OF GOODS.** Prepaid transportation charges for ILI's account must be supported by freight bill attached. The original shipping document must accompany the invoice and bear a clear signature of the receiving carrier and the actual shipping date. Invoices must identify the attached shipping documents. Invoices must show department and order number, number of containers, the origination point, method of transportation and complete routing. Except as otherwise agreed to in writing by ILI, payment shall be due net 30 days after receipt of a correct invoice and ILI's receipt of the Goods.
7. **PACKING/SHIPPING.** ILI shall not be responsible for any packing, boxing or cartage charges unless agreed upon in writing. Shipping damage to any Goods not packed to insure protection will be Vendor's responsibility. The bill of lading or other shipping documents must carry the name of the article, the correct weight, and show all marks and numbers that appear on the containers. Each package must contain a memorandum showing shipper's name, contents of package and Purchase Order Number of ILI.
8. **NO INFRINGEMENT.** Vendor warrants that the Goods, and the use thereof, do not infringe any patent, trademark or copyright. Vendor agrees to indemnify and hold harmless ILI and its customers from any claims, actions, damages, costs and expenses (including reasonable attorneys' fees) incurred on account of any such alleged or actual infringement.
9. **CERTIFICATE OF LIABILITY INSURANCE.** Vendor agrees to include Industrial Louvers, Inc. as an **ADDITIONAL INSURED** on Vendor's insurance policies and agrees to deliver to ILI a Certificate of Liability Insurance in a form consistent with the attached sample.
10. **COMPLIANCE WITH LAW.** Vendor agrees to comply with all applicable laws in connection with its performance of the Contract. If it is noted in the Contract that the Contract relates to a government contract, Vendor agrees to comply with all laws and regulations applicable to federal subcontractors, including, without limitation, the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a), 60-741.5(a), 61-300.10 and Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), all of which are hereby incorporated by reference.
11. **CONFIDENTIALITY.** Vendor agrees to hold the terms of the Contract and all information Vendor learns about ILI, its customers and projects in strict confidence and to only use such information for purposes of fulfilling this Contract.
12. **GENERAL PROVISIONS.** No amendment or modification of any provision of the Contract shall be binding unless set forth in a written document signed by ILI and Customer. No waiver of any provision of the Contract shall be binding unless set forth in a written document signed by the party granting the waiver. All disputes between ILI and Customer relating to the Contract or otherwise between ILI and Customer shall be governed by and construed in accordance with the laws of the State of Minnesota, without giving effect to any choice of law rule that would cause the application of the laws of any other jurisdiction. All dispute resolution proceedings shall be brought exclusively in the state or federal courts located in Wright County, Minnesota, and the parties irrevocably consent to the jurisdiction and venue of such courts. ILI shall be entitled to recover its costs and expenses (including attorneys' fees) incurred to enforce the Contract and recover remedies due to a breach by Vendor. The Contract may not be assigned by Vendor without the written consent of ILI.