

STANDARD TERMS AND CONDITIONS OF PURCHASE

1. Special Terms. This Agreement shall constitute the complete Agreement between Seller (identified on the face hereof and herein called "**Seller**") and Hettich Manufacturing LP or Hettich America LP, as specifically indicated on the preceding page (herein called "**Buyer**") and shall supersede all prior oral and written statements of any kind whatsoever made by the parties and their representatives. All terms and conditions heretofore or hereafter contained in Seller's invoices or sales order confirmations or elsewhere which are different from, in addition to, in conflict with or vary the terms hereof are hereby objected to and shall not be binding on Buyer, unless expressly agreed to in writing, signed at Buyer's home office in Buford, Georgia by a duly authorized officer of Buyer in a document making specific reference to this Agreement and specifically stating that it amends this Agreement.

2. Deliveries, Time. Seller's commencement of performance pursuant to this purchase order constitutes acceptance hereof by Seller. If delivery dates cannot be met, Seller shall inform Buyer in writing by facsimile or certified mail, return receipt requested. The Buyer's production and distribution schedules are based upon the agreement that materials will be delivered to the Buyer by the date specified on the face of the purchase order. Time is therefore of the essence of this purchase order if deliveries are not made at the time agreed upon, the Buyer reserves the right to cancel or to purchase elsewhere, and hold Seller accountable therefore.

3. Prices. Seller's price shall not be higher than last quoted or last charged to the Buyer unless otherwise agreed in writing.

4. Quantities. Shipments must equal exact amounts ordered unless otherwise agreed by the Buyer.

5. Warranty. Seller warrants all materials or services delivered hereunder to be free from defects in material or workmanship and to conform strictly to the specifications, drawings, or sample specified or furnished. This warranty shall survive any inspection, delivery, acceptance, or payment by Buyer for the materials or services.

6. Inspection and Rejection. Final inspection shall be on Buyer's premises unless otherwise agreed in writing. Materials rejected as not conforming to this purchase order, or otherwise defective, shall be returned at Seller's expense, including transportation and handling costs.

7. Buyer's Property. All material, including tools and dyes, furnished or specifically paid for by the Buyer, shall be subject to removal at any time without additional cost upon demand by the Buyer, shall be used only in filling orders from the Buyer, shall be kept separate from other materials, tools and dyes, and shall be clearly identified as the property of the Buyer. Seller assumes all liability for loss or damage, with the exception of normal wear and tear, and agrees to supply detailed lists of materials, tools and dyes at monthly intervals or as otherwise agreed upon.

8. Patents. At Seller's expense, Seller shall defend, indemnify and hold harmless the Buyer, its distributors and dealers, and users of the products of the Buyer with respect to any and all claims that the products or materials furnished by the Seller under this purchase order infringe upon any United States Letters Patent, and with respect to any and all suits, controversies, demands, and liability arising out of any such claim.

9. Taxes. Except as may be otherwise provided in this purchase order, the contract price includes all applicable federal, state, and local taxes in effect on the date of this purchase order. In case of new taxes or increased rates or the repeal of taxes or the reduction of rates, the contract price shall be adjusted accordingly.

10. Assignment. Seller shall not delegate any duties, nor assign any rights to payment or claims under this purchase order for breach thereof, without the prior written consent of the Buyer, and any such attempted delegation or assignment shall be void.

11. Setoffs and Counterclaims. All claims for moneys due or to become due from the Buyer to the Seller shall be subject to setoff and deduction by the Buyer for any setoff or counterclaim arising out of this or any other of the Buyer's purchase orders with Seller, whether such setoff or counterclaim arises before or after a permitted assignment by Seller.

12. Changes. At any time, and from time to time, and without notice to any sureties or assignees, the Buyer shall have the right to make changes as to packing, testing, destination, specifications, designs, and delivery schedules (postponements only). Seller shall immediately notify the Buyer of any increases or decreases in costs caused by such changes and an equitable adjustment in prices or other terms hereof shall be agreed upon in a written amendment to this purchase order.

13. Bankruptcy. In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against Seller, the inability of Seller to meet its debts as they become due, or in the event of the appointment, with or without Seller's consent, of an assignee or receiver for the benefit of creditors, then the Buyer shall be entitled, at its sole option, to cancel any unfulfilled part of this purchase order without any liability whatsoever.

14. Governing Law. This purchase order is executed by both Buyer and Seller with reference to the laws of the State of Georgia and the rights of all parties and the construction and effect of every provision hereof shall be subject to and construed according to the laws of the State of Georgia.

15. Proof of Shipment. Seller shall forward to Buyer, with the invoice, the express receipt or bill of lading, signed by the carrier, evidencing the fact that shipment has been made. Any losses arising from deviation from the Buyer's routing instructions will be charged to Seller's account.

16. Supplementary Information. Any specifications, drawings notes, instructions, engineering, notices or technical data referred to in this purchase order shall be deemed to be incorporated herein by reference as if fully set forth. In case of any discrepancies or questions, Seller shall defer to the Buyer for decision or instructions or for interpretation.

17. Title to Drawings and Specifications. The Buyer shall at all times have title to all drawings and specifications furnished by the Buyer to Seller and intended for use in connection with this purchase order. Seller shall use such drawings and specifications only in connection with this purchase order, and shall not disclose such drawings and specifications to any person, firm, or corporation other than the Buyer's or Seller's employees, subcontractors, or government inspectors. Upon the Buyer's request or upon completion of this purchase order Seller shall promptly return all drawings and specifications to the Company.