

Supplier Terms and Conditions

1. ACCEPTANCE

Lake Shore Cryotronics, Inc. ("Purchaser") shall not be bound by this Purchase Order ("PO") until Supplier executes and returns to Purchaser an acknowledgment of this PO. Supplier accepts this PO and shall be bound by its terms and conditions when Supplier executes and returns an acknowledgment (due within two (2) business days after Supplier's receipt of the PO, in accord with Purchaser's 'Requirements for Suppliers') or otherwise when Supplier delivers to Purchaser the goods or services ordered by this PO in accord with Purchaser's 'Requirements for Suppliers', which goods and services are both hereinafter referred to as the "goods". Purchaser reserves the right for on-site evaluation of Supplier's capability and/or quality system by a Purchaser or customer audit.

2. CHANGES

Purchaser reserves the right at any time to make changes in any one or more of the following: (a) specifications, drawings and data incorporated in this PO where the goods to be furnished are to be specifically manufactured for Purchaser; (b) methods of shipment or packing (c) place of delivery; and (d) time of delivery. If any such change causes an increase or decrease in the cost or time required for performance of this PO, an equitable adjustment shall be made in the price, delivery schedule, or both. Any claim by Supplier for adjustment under this clause shall be deemed waived unless asserted in writing ten (10) days from receipt by Supplier of the notice of change. Price increases or extensions of time for delivery shall not be binding on Purchaser unless authorized in writing by Purchaser and signed by Purchaser.

3. AMENDMENTS

The terms in this PO are all the terms upon which this PO is given. These terms may not be modified, superseded or otherwise altered by Supplier, except in writing and signed by Purchaser. All goods received by Purchaser from Supplier shall be deemed to be only upon the terms in this PO, unless modified, superseded, or otherwise altered in writing and signed by Purchaser. Supplier's terms contained in Supplier's acknowledgment of Purchaser's PO, in the Supplier's invoice or in any other Supplier's form shall not modify, supersede or otherwise alter Purchaser's PO unless the change is specifically agreed to in writing and signed by Purchaser. Purchaser's acceptance or payment for Supplier's shipment or Purchaser's similar act shall not alter the terms of this PO. Supplier's substitutions or deviation from the goods Purchaser has ordered may be authorized only in writing and signed by Purchaser.

4. PRICE

Price shall be as stipulated in this PO. All prices are in U.S. Dollars. In the event no price is stipulated, the goods shall be charged at the lowest prevailing market price.

5. CANCELLATION

This PO and any part of this PO are subject to Purchaser's cancellation if the conditions specified herein are not met by Supplier. In the event of Purchaser's cancellation, Purchaser shall be under no obligation to pay Supplier for the cancelled goods in connection with this PO.

Purchaser may cancel this PO or any part hereof at any time by giving Supplier written notice of such cancellation. After Supplier's receipt of such notice the following procedures shall be followed. Supplier shall discontinue work upon the cancelled goods; Supplier shall cease preparing orders for materials therefore and shall use its best efforts to cancel such portions of existing orders and sub-contracts as related thereto. Purchaser may pay the price for goods then completed within the quantity released or ordered, excluding goods whose completion was premature under the PO schedule of delivery dates. Purchaser shall have no other liability with respect to the terminated portion of this PO.

6. INSPECTION

Goods purchased hereunder are subject to inspection and approval at Purchaser's plant. Purchaser reserves the right to reject and refuse acceptance of goods which are not in accordance with Purchaser's instructions, specifications, drawings and data or Supplier's warranties (express or implied). Purchaser may charge Supplier for the cost of inspecting goods rejected. Goods not accepted will either be returned to Supplier or destroyed at Supplier's expense. Payment for any goods delivered pursuant to the PO shall not be deemed an acceptance of such goods.

7. WARRANTY

By accepting this PO, Supplier hereby warrants the goods to be furnished under this PO will be in full conformity with Purchaser's specifications, drawings and data and/or Supplier's samples; Supplier further warrants the goods furnished under this PO will be fit and suitable for the use intended by Purchaser, and that the goods shall be of merchantable quality. Supplier agrees these warranties shall survive Purchaser's acceptance of the goods. These warranties shall be in addition to any other warranties given to Purchase by Supplier. Supplier agrees to protect, indemnify and hold Purchaser harmless against any claim, suit, liability, loss, damage or expense, including reasonable attorney's fees incurred by Purchaser as a result of Supplier's failure to comply with the foregoing warranties and/or otherwise arising out of or in connection with the purchase, sale, transportation, handling or use of the goods.

8. ADVANCED SHIPMENTS

Purchaser reserves the right to refuse acceptance of goods that are shipped ahead of schedule and reserves the right to reasonably alter schedules.

9. PATENTS

In the event any claim (whether or not such claim is filed in a Court), suit or proceeding alleging a patent infringement or unfair competition is brought against Purchaser or against any of its agents or vendors on account of any goods furnished to Purchaser under this PO, Supplier agrees it will promptly, on notification of the commencement of any such suit or proceeding, assume defense for the same for the Purchaser, and it will pay and discharge all costs and expenses in defense thereof, as well as any royalties due that arise out of such action or claim (whether by settlement or otherwise) or any other decrees that are issued therefore. If it so desires in the above described matter, the Purchaser may choose its own counsel in any suit or proceeding at Supplier's expense.

10. CONTAINERS

All returnable containers shall be billed on separate memo invoices and are to be returned to Supplier as promptly as possible, transportation charges collect.

11. INVALIDITY OF PROVISIONS

If any of the terms or conditions of this PO shall be held invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

12. COMPLIANCE WITH LAWS

Supplier shall comply with all federal, state, and local laws, ordinances, rules, and regulations in the manufacture and sale of the goods and performance of the services, including but not limited to the Occupational Safety and Health Act, the Truth in Negotiation Act, the Resources Conservation and Recovery Act and all applicable requirements of the Fair Labor Standards Act. Supplier will defend and hold Purchaser harmless from any loss, damages, or cost arising from or caused in any way by Supplier's actual or alleged violation of any federal, state, or local law, ordinance, rule or regulation. If this PO indicates it is placed under a United States Government Contract or Grant, this order is subject to all applicable FAR or DFARS regulations which are hereby incorporated by reference as if they were fully rewritten herein.

13. NON-DISCRIMINATION IN EMPLOYMENT

Lake Shore Cryotronics has and aggressively supports an Affirmative Action Program that encompasses the written regulatory requirements applicable to our business, as well as the spirit of expectations laid out in the Electronic Industry Citizen Coalition Code of Conduct and the UN Guiding Principles on Business and Human Rights. Lake Shore Cryotronics affirmatively supports equal employment, development and promotional opportunity for qualified minorities, females, disabled, and veterans and expects all its suppliers to abide by governing regulations and human rights standards.

During the performance of this contract (or purchase order), the contractor/Supplier specifically agrees to comply with all Federal, State and local laws respecting discrimination in employment and non-segregation of facilities including, but not limited to, requirements set out at 41 CFR 60-741.5: **"This contractor and subcontractor shall abide by the requirements of 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities."** and **"This contractor and subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified veterans and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans."**

14. INDEMNIFICATION

To the extent that Supplier's agents, employees or sub-contractors enter upon premises occupied by or under the control of the Purchaser, or any of Purchaser's customers, or of Purchaser's Suppliers in the course of the performance of this PO, Supplier shall take all reasonable precautions to prevent the occurrence of any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of Supplier's agents, employees or sub-contractors. Further, except to the extent that any such injury or damage is due solely and directly to Purchaser's negligence, the Supplier shall also indemnify, defend and hold Purchaser, its officers, employees and agents, harmless from any and all costs, losses, expenses, damages, claims, suits, or any liability, including attorney's fees. Supplier shall provide insurance coverage in those amounts designated by the Purchaser for potential claims presented against the Supplier or Supplier's agents at any premises occupied by or under the control of the Purchaser, or any of Purchaser's customers, or of Purchaser's Suppliers in the course of the performance of this PO, arising out of Supplier's liability in amounts sufficient to cover Supplier's obligations set forth above, and further Supplier shall provide worker's compensation and employer's liability insurance covering all employees engaged in the performance of any of Supplier's obligations under this PO for claims arising under any applicable worker's compensation Act or any Occupational Disease Acts. Supplier shall furnish certificates evidencing such insurance, which expressly provides that no expiration, termination of modifications shall take place without thirty (30) days written notice to Purchaser.

15. SUPPLIER REQUIREMENTS

Supplier must adhere to all requirements as defined in the Lake Shore Cryotronics Supplier Quality Manual. Any requirements that can't be met must be identified and discussed prior to acceptance of the Purchase Order.

16. GOVERNING LAW AND VENUE

The validity, construction and interpretation of all documents relating to this sale, and the rights and duties of the parties there to shall be governed by the laws of the State of Ohio (U.S.A.), exclusive of its conflict of laws provisions. The State of Ohio, U.S.A., shall be deemed the place the contract is formed. Further, the venue of all dispute resolution shall be in Franklin or Delaware Counties, Ohio U.S.