



Enodis General Terms and Conditions for Purchase

1. The agreement between Buyer and Seller (the "Agreement") with respect to the purchase of materials, services, goods or articles described elsewhere in this Purchase Order of which are herein called "articles" shall consist of the terms appearing on the face of this order, the provisions attached hereon and incorporated herein by reference, which terms may not be added to, deleted or modified without Buyer's written consent. Any proposal for additional or different terms, whether or not material or any attempt by Seller to vary in any degree any of the terms of this Purchase Order is hereby objected to and rejected. Such proposals shall not operate as a rejection of this Purchase Order unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods, but this Purchase Order shall be deemed accepted by Seller without the additional or different terms. Prior courses of dealing, trade usage and verbal agreement not reduced to writing signed by Buyer, Seller shall be bound by this order and all of its terms and conditions upon the happening of any of the following events: (i) receipt by Buyer of the acknowledgement copy of this order signed by Seller, (ii) receipt by Buyer of notification from Seller that Seller has commenced performance under this Purchase Order or other indication from Seller or its acceptance of this order, (iii) delivery to Buyer of any of the goods or performance of any of the services describe on this order.
2. **SHIPPING INSTRUCTIONS:** On date of shipment send original bill of lading, air bill or express receipt reflecting this Purchase Order number to Buyer's Traffic Department. Do not deliver ahead of schedule unless written authorization is received from Buyer. Describe shipments in accordance with the carrier's tariffs to obtain the lowest freight rate. Do not insure or declare value on shipments beyond FOB point. When a shipment is subject to freight rates dependent upon value, annotate the bill of lading, air bill or express receipt to show that the shipment is released at the maximum value which applies to the lowest rate provided in applicable tariffs. Consolidate all shipments to be forwarded on one day. Articles furnished in excess of the quantity specified or in excess of will be retained by buyer at not additional cost, unless Seller notifies Buyer within 30 days after shipment that it desires the return thereof. Seller will reimburse buyer for the full cost of returning such overshipment or a minimum charge to \$50, whichever is higher. No notification will be given to Seller of any overshipment. Mail original and two duplicate invoices to Buyer's accounting Department when articles are shipped. **STATE SHIPPING POINT ON ALL INVOICES.** Each case or parcel and accompanying packing list of contents must show Buyer's Purchase Order number. Seller shall label all packages according to Buyer's bar coding requirements. If no packing List accompanies the shipment, Buyers count will be conclusive to Seller.
3. **TRUCKING AND EXTRAS:** No charges will be allowed for transportation, packaging, packing returnable containers unless stated in the Purchase Order. All shipments must be packaged and must conform with Buyer's packaging specification referred to elsewhere in this order, if any, to permit efficient handling and provide protection in shipment and if tendered to a common carrier

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- for delivery, must also conform to the packaging requirements applicable to such carrier. Damage to any articles resulting from improper packaging will be charged to Seller.
4. **SPECIFICATIONS:** All articles ordered to Government or Buyer's specifications will comply with such specifications current as of the date of this Purchase Order unless otherwise specified by Buyer.
 5. **WARRANTY:** In addition to Seller's customary warranties and any other warranties contained herein or implied in fact or by law. Seller warrants that the articles delivered and services performed will conform to specifications, drawings, samples or other descriptions furnished or specified by Buyer, will be merchantable, of high quality and free from defects in design, material and workmanship. Seller warrants that all such articles will conform to any statements made on the containers or labels or advertisements for such articles, and that any goods will be adequately contained, packaged, marked and labeled. If Seller knows or has reason to know the particular purpose for which Buyer intends to use the articles, Seller warrants that such articles will be fit for such particular purpose. Seller warrants that articles furnished will conform in all respects to samples. In addition, Seller warrants that it will comply with all applicable laws, rules and regulations of governmental authority covering the production, sales and delivery of the articles. Inspection, test, acceptance or use of the articles furnished hereunder shall not affect the Seller's obligation under this warranty, and all warranties shall survive inspection, test, acceptance, use and payment, and shall be for the benefit of Buyer and its successors, assigns, customers and users of products sold by Buyer. Seller's warranties shall not be limited in any way by Buyer's extending express or implies warranties to its successors, assigns or customers. The remedies stated in the paragraph shall be in addition to, or not in lieu of, other remedies that Buyer may have under the Contract or under law for the breach of any of the warranties herein contained. All warranties shall survive acceptance and payment.
 6. **INSPECTION:** All articles shall be subject to inspection and test at all times and places, including the period of manufacture, by the Buyer and, if this Purchase Order is placed under a Government contract, the Government. If any inspection test is made on Seller's premises, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Buyer and Government inspectors. Such inspections and test shall be performed in such a manner as to not unduly delay the work. All articles are also subject to final inspection and acceptance at Buyer's plant notwithstanding any payments or other prior inspection. Such final inspection shall be made within a reasonable time after delivery.
 7. **RELEASE OF NEWS INFORMATION AND ADVERTISING:** Seller shall not, without prior written consent of Buyer make any news release, public announcement, denial or confirmation of all or any part of the subject matter of the Purchase order or any phase of any program hereunder, or in any manner advertise or publish the fact that Buyer has placed this Purchase Order.

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8. **TERMINATION:** Buyer shall have the right to terminate the Purchase Order or any part thereof at any time: (a) Without Cause-in case of termination by Buyer or all or any part of this Purchase Order without cause, any termination claim must be submitted to Buyer within thirty (30) days after the effective date of termination. In all cases the Buyer shall be liable for no more than thirty (30) days after the effective date of termination. In all cases the Buyer shall be liable for not more than thirty (30) days finished inventories and no more than sixty (60) raw inventories. The provision of this subparagraph shall not limit or affect the right of the Buyer to terminate this Purchase Order for cause. (b) With Cause – If Seller fails to make any delivery in accordance with the agreed delivery date or schedule or otherwise fails to observe or comply with any of the other instruction, terms, conditions, or warranties, separately or in any combination, applicable to this Purchase Order or fails to make progress so as to endanger performance of this Purchase Order or in the event of any proceedings by or against Seller in bankruptcy or insolvency or appointment of a receiver or trustee or an assignment for the benefit of creditors. Buyer may in addition to any other right or remedy provided by this Purchase Order or by Law, terminate all or any part of this Purchase Order by telegraphic or other written notice to Seller without any liability by Buyer to Seller on account thereof. Buyer may require a financial statement from Seller at any time during the term of this Purchase Order for the purpose of determining Seller's financial responsibility. In the event of termination for cause, Buyer may produce or purchase or otherwise acquire articles elsewhere on such terms or in such manner as Buyer may deem appropriate and Seller shall be liable to Buyer for any excess cost or other expenses incurred by Buyer.
9. **PATENT INDEMNITY:** Seller hereby indemnities Buyer, its successors, assigns, agents, customers and users of the articles against loss, damage, or liability, including costs and expenses, including attorney's fees, which may be incurred on account of any suit, claim, judgment or demand involving infringement or alleged infringement of any patent rights in the manufacture, use or disposition of any articles supplied hereunder, provided Buyer shall notify Seller of any suit instituted against it and, to the full extent of its ability to do so, shall permit Seller to defend the same or make settlement in respect thereof. Buyer does not grant indemnity to Seller for infringement of any patent, trademark, copyright or data rights.
10. **EXCUSABLE DELAYS:** Neither party shall be liable for damages for delay in delivery arising out of causes beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather. If the delay is caused by the delay of a subcontractor of Seller, and if such delay arises out of causes beyond the reasonable control of both Seller and the subcontractor, and without the fault or negligence of either of them, Seller shall not be liable to Buyer in damages unless the articles or services

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- to be furnished by the subcontract were obtainable from other sources in sufficient time to permit the Seller to meet the required delivery schedule. Seller will notify Buyer in writing within ten (10) days after the beginning of any such cause.
11. **ASSIGNMENT:** Neither this Purchase Order nor any rights or obligations herein may be assigned by Seller nor may Seller subcontract in whole, or substantially in whole, the performance of its duties hereunder without, in either case, Buyer's prior written consent. The terms and conditions of this Purchase Order shall bind any permitted successors and assigns of Seller. Any consent by Buyer to assignment shall not be deemed to waive Buyer's right to recoupment and/or set off of claims arising out of this or any other transactions with Seller, its divisions, affiliates or subsidiaries, or to settle or adjust matters with Seller without notice to permitted successors and assigns.
 12. **CHANGES:** Within the general scope of the Purchase Order, Buyer may require additional work, issue additional instructions or make changes by written direction to Seller in any one or more of the following: (i) drawings, designs or specifications; (ii) method of shipment or packaging; (iii) delivery schedule; and (iv) quantities. If any such change results in an increase or decrease in the cost of performance of the Purchase Order, an equitable adjustment shall be made in the price. Any claim by Seller for adjustment under the Purchase Order pursuant to the preceding sentence must be asserted in writing within fifteen (15) days after receipt by Seller of notification of change and must be approved by Buyer in writing, but nothing shall excuse Seller from proceeding with the Purchase Order as changed.
 13. **BUYER'S INFORMATION:** Information, drawings, data, design, inventions, computer software, ideas, suggestions and/or other technical information supplied by Buyer or those developed by Seller at Buyer's request shall remain Buyer's property and shall be held in confidence by Seller. Such information shall not be reproduced, used, modified, or disclosed to others by Seller without Buyer's prior written consent, and shall be returned to Buyer upon completion by Seller of its obligations under this Purchase Order or upon demand. Any information which Seller may disclose to Buyer with respect to the design manufacture, sale or use of the articles covered by this Purchase Order shall be deemed to have been disclosed as part of the consideration for this Purchase Order, and Seller shall not assert any claim against Buyer or Buyer's use thereof.
 14. **BUYER'S PROPERTY:** All property used by Seller in connection with this Purchase Order which is owned, furnished, charged to or paid for by Buyer including, but not limited to, materials, tools, dies, jigs, molds, patterns, fixtures, equipment, drawings and other technical information. Information provided or stored on electronic media, computer software, specifications, and any replacement thereof, shall be and remain the property of Buyer subject to removal and inspection by Buyer at any time without cost or expense to Buyer and Buyer shall have free access to Seller's premises for the purpose of inspecting or removing such property. All such property shall be identified and marked as Buyer's property, used only for this Purchase Order and adequately insured by



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- Seller at its expense for Buyer's protection. Seller shall assume all liability for and maintain and repair such property and return the same to Buyer in its original condition, reasonable wear and tear excepted, and when such property is no longer required hereunder, Seller shall furnish Buyer with a list thereof and shall comply with any Buyer disposition instructions applicable thereto. Buyer shall not be obligated to pay any invoices for tooling until the first article produced therefrom shall have been inspected and shipped from Seller, and received and accepted by Buyer. Notwithstanding the foregoing, upon written notice to Buyer and to the extent such use will not interfere with Seller's performance of this or other Purchase Orders from Buyer in effect at the time Seller enters into a direct contract with the U.S. Government. Seller shall have the right to use Buyer's property in the manufacture of end items for direct sale to the U.S. Government to the extent the Government has the right under its prime contract with Buyer to authorize such use by Seller, provided that, to the extent practicable, Seller prominently identifies each such end item as being manufactured by Seller for direct sale to the U.S. Government. Materials, excluding Government Property, furnished by Buyer on other than a change basis in connection with this Purchase Order shall be deemed to be held by Seller as bailee thereof. Seller agrees to pay Buyer's replacement cost for all such material spoiled or otherwise not satisfactorily accounted for as scrap loss.
15. **GRATUITIES:** Seller warrants that neither it nor any of its employees, agents or representatives has offered or given any gratuities to Buyer's employees, agents or representatives with a view toward securing this Purchase Order or securing favorable treatment with respect thereto.
 16. **UTILIZATION OF SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS, AND LABOR SURPLUS AREA CONCERNS:** To support Government policy as declared by the Congress, and as consistent with the efficient performance of this Purchase Order, Seller agrees to accomplish a maximum amount of subcontracting to small business concerns, and to use its best efforts to place subcontracts hereunder with subcontractors who will perform such subcontracts substantially in areas of persistent or substantial labor surplus when it can be done at prices no higher than are obtainable elsewhere observing exemptions and preferential order established by applicable Government regulation.
 17. **COMPLIANCE WITH LAWS:** To the extent applicable hereto, Seller shall in the performance of this Purchase Order comply with the Fair Labor Standards Act of 1938 (29 U.S.C. 201-219), the Walsh-Healy Public Contracts Act (41 U.S.C. 35-45), the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), Laws prohibiting the use of convict labor, all other federal, state and local laws, all regulations and orders issued under any applicable law. Seller warrants that the articles furnished hereunder comply with the Occupational Safety and Health Act of 1970 (29 U.S.C. 651-678), the Radiation Control for Health and Safety Act of 1968 (42 U.S.C. 263 b-n), Underwriter Laboratory (U.L. Standards 563, 763 and 471), National Sanitation Foundation (N.S.F. Standards 12 and 18), Canadian



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- Standards Association (C.S.A. Standard C22.2.68 and 133) EU Directive 2002/96/EC on waste Electrical And Electronic Equipment (WEEE) and Directive 2002/95/EC on the Restriction of the USE of Certain Hazardous Substances in EEE (RoHS, as applicable and all applicable regulations and standards promulgated thereunder to which the article is intended.
18. **NOTICE TO BUYER OF LABOR DISPUTES:** Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Purchase Order, Seller shall immediately give notice thereof, including all relevant information, with respect to Buyer, Seller agrees to insert the substance of this clause, including this paragraph in any subcontract hereunder as to which a labor dispute may delay the timely performance of this Purchase Order.
 19. **EFFECT OF INVALIDITY:** This invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision.
 20. **REMEDIES:** The remedies provided herein shall be cumulative and in addition to any other remedies provided by law. In addition to and not in limitation of any remedies that Buyer may have under the terms of the contract or by operation of law. Buyer may, at its option, waive any breach of contract or may (i) return nonconforming or late delivered articles to Seller at Seller's expense (ii) charge Seller for the amount including shipping and incidental charges, if such charges are not included in the contract price) in excess of the contract price required to obtain articles in substitution for articles delivered or services not performed pursuant to the Contract, articles rejected because of late or otherwise defective delivery or articles rejected because of breach of warranty; (iii) rework or repair the articles as to make them conform to the Contract and charge Seller for the expense thereof (iv) use the nonconforming articles for a purpose other than the purpose originally intended and charge Seller for the amount by which the purchase price exceeds the price of articles normally required for such alternative purposes (v) charge Seller for the full amount of any monetary loss of Buyer caused as a result of any such breach (vi) have Seller repair or replace defective articles to be determined at Buyer's option and at Seller's expense.
 21. **DISPUTES:** Any dispute arising under this Purchase Order which is not settled by agreement of the parties may be settled by appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Purchase Order, Seller shall proceed diligently with the performance of this Purchase Order in accordance with the decision of Buyer.
 22. **BUYER APPROVALS AND REVIEWS:** The review of approval by Buyer of any work thereunder or of any design, drawings, specifications or other documents prepared hereunder by Buyer and/or Seller shall not relieve Seller of any of its obligations under this Purchase Order nor excuse or constitute a waiver of any defects or nonconformities in any articles furnished under this Purchase Order or change, modify, or otherwise affect any of the provisions of this Purchase Order including, but not limited to, the prices and delivery schedules contained herein.



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23. **TAXES:** Seller is liable for and shall pay all taxes, imposition, charges and exactions imposed on or measured by this Purchase Order except those Buyer specifically agrees or is required by law to pay and which are separately stated on Seller's invoice. Prices shall not include any taxes, impositions, charges, and exactions for which Buyer has furnished an exemption certificate.
24. **TIME:** Time is of the essence in the performance of this Purchase Order by the Seller.
25. **TITLE:** Except if title has heretofore passed to Buyer or Buyer's customers under other provisions of this Purchase Order, title to the articles shall pass to Buyer upon delivery of the article to the F.O.B. point named herein.
26. **TERMS OF PAYMENT:** The standard and customary terms for articles identified on Purchase Orders from Buyer shall permit payments to be made for Seller's invoices according to the following condition: two (2) percent – ten (10) days; net – fifty (50) days unless Buyer specifies differently on the Purchase Order.
27. **STOP WORK ORDER:** The provisions of the clause contained in DAR 7.105.3 in effect on the date hereof are hereby incorporated herein by reference with the following changes: the words: "Contracting Office" and "Government" shall mean Buyer, the word "Contractor" shall mean Seller, the words "ninety (90) days" are hereby changed to one hundred (100) days and the words "thirty (30) days" are hereby changed to twenty (20) days wherever they appear; and the reference to the "Termination for Convenience" clause shall be deemed to refer to paragraph (b) of the clause hereof entitled "Termination".
28. **HAZARDOUS MATERIALS:** Seller shall notify Buyer of every article ordered hereunder which contains material hazardous or injurious to the health or physical safety of persons even though said hazard or injury may only occur due to mishandling or misuse of the article. In addition, Seller shall identify the hazardous or injurious material and notify Buyer of the effect of such material on human beings and the physical manifestations that could result. For each article so identified, Seller shall supply Buyer warning labels or instructional material appropriate to warn persons coming in contact therewith of the hazard and its effects.
29. **LIMITATION ON BUYER'S LIABILITY; STATUTE OF LIMITATIONS:** In no event shall Buyer be liable for anticipated profits or for incidental or consequential damages. Buyer's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from the Purchase Order or from the performance or breach thereof shall in no case exceed the price allocable to the articles or unit thereof which gives rise to the claim. Buyer shall not be liable for penalties of any description, any action resulting from any breach on the part of Buyer as to the articles delivered under the Purchase Order must be commenced within one (1) year after the cause of action has accrued.



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30. **APPLICABLE LAW:** The formation and performance of the Agreement shall be governed by the Uniform Commercial Code as adopted in the State of Delaware, USA, as such law applies to contracts signed and fully performed in such State or when the Buyer is a Canadian company the Agreement shall be governed by the internal laws of the Province of Ontario, Canada without giving effect to any conflict of laws principles. Wherever a term defined by said Uniform Commercial Code is used in these printed provisions the definition contained in the Uniform Commercial code will control. The parties agree to comply with the provisions of all laws, orders, rules and regulations applicable to this Agreement, including applicable export control laws and regulations of the United States. The terms of the United Nations Convention on the Sale of Goods shall not apply to this Agreement.
31. **INDEMNIFICATION:** Seller shall indemnify and hold Buyer harmless against all damages and expenses incurred by Buyer as a result of Buyer being required to recall from Buyer's customers or others any articles furnished hereunder or an end product employing any such articles as a part or component thereof and to repair, replace or refund the purchase price of such articles or end products, at the Buyer's option, provided that such recall and such repair, replacement or refund is based upon a defect whether of design or manufacture in the articles furnished by Seller or the failure of such articles to conform to any standard which such articles are required by law to conform or the failure of the articles to conform to any specification or standard to which it is ordered which creates reasonable possibility of injury to persons or property. In the event that Seller's articles shall not be the sole cause for such action by Buyer, the Buyer shall apportion its costs, damages and expenses in such manner as it shall determine in its sole judgment is reasonable and equitable. Buyer shall not be required to consult with, or seek Seller's concurrence in, the reporting by Buyer to any administrative or regulatory body, or any information which Buyer obtains indicating that the articles furnished by Seller either fail to conform to any standard required by law, or constitute or create of themselves or within the end product of which they are a part or component, a situation requiring recall or notice as defined by the applicable law. Seller hereby releases and discharges Buyer from any liability for any error or omission in the reporting of such information unless such error or omission is attributable to the willful conduct of Buyer.
32. **INSURANCE:** Seller agrees to maintain in effect insurance coverage with reputable insurance companies covering workers' compensation and employers' liability, automobile liability, commercial general liability, including products liability and excess liability, all with such limits as are sufficient, in Buyer's reasonable judgment, to protect Seller and Buyer from the liabilities insured against by such coverages. Seller's insurance described herein shall be primary and not contributory with Buyer's insurance and shall name Buyer as an additional insured using Form CG20 15 Broad Form Vendor's Endorsement or its equivalent with respect to the commercial general liability policy including products liability. Seller's insurance carriers shall not cancel or materially amend such policies without thirty (30) day's prior written notice to Buyer. Seller shall



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furnish a certificate evidencing the obligation set forth in this paragraph. The obligation to provide insurance set forth in this paragraph is separate and independent of all other obligations contained in this Agreement.

- 33. RECORDS: Seller shall prepare, maintain and file with the appropriate authority such records and reports as pertain to the manufacture, sale, use and characteristics of the articles furnished to Buyer hereunder as may be required by any federal, state or local law or regulation concerning the manufacture, sale or use of articles or the end products of which the articles may be a part or component and shall provide Buyer with copies of such records as Buyer may require and permit Buyer access to Seller's records to permit Buyer to ascertain Seller's compliance hereunder.
- 34. PRICES: Seller represents that the prices for the articles covered by this Purchase Order are the lowest prices charged by Seller to buyers of the same class as Buyer under conditions similar to those specified in this Purchase Order and that prices comply with applicable government regulations in effect at time of quotation, sale or delivery. Seller agrees that any price reduction made in the articles covered by the Purchase Order subsequent to its placement but prior to payment therefore will be applicable to it.
- 35. GOVERNMENT WORK: The work covered by this Purchase Order may relate to a contract with the United States Government, and is within the jurisdiction of a Department of Agency of the United States.
- 36. EQUAL OPPORTUNITY EMPLOYER: Enodis Corporation and its affiliates are an equal employment opportunity employer and is a federal contractor. Consequently, the parties agree that, to the extent applicable, they will comply with Executive Order 11246, the Vietnam Era Veterans Readjustment Assistance Act of 1974 and Section 503 of the Vocational Rehabilitation Act of 1973 and also agree that these laws are incorporated herein by this reference. The contractor also agrees to comply with the provisions of Executive Order 13201 Compliance (29 CFR Part 470), relating to the notice of employee rights concerning payment of union dues.

It is understood, Enodis Terms and Conditions apply to all purchase orders issued and confirmed by:

(Company name)

(Printed Name)

(Title)

(Signature)

(Date)