



PURCHASE ORDER TERMS AND CONDITIONS

The use of this document and all documents and standards referred to in this document, is to be to the latest revision.

NOTE: THE SUPPLIER SHALL STRICTLY ADHERE TO THE DRAWINGS AND/OR SPECIFICATIONS AND SHALL MAKE NO CHANGES WITHOUT EXPLICIT WRITTEN CONSENT.

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

1. Acceptance. Any acceptance of this Purchase Order is limited to acceptance of the express terms of the offer contained on the face and reverse side hereof. Any additional or different terms proposed by Seller, or any attempt by Seller to vary in any degree any of the terms herein in Seller's acceptance, confirmation, invoice or any other writing are hereby objected to and rejected. Such additional or different terms shall not operate as a rejection of this offer, and this offer shall be deemed accepted by Seller without said additional or different terms. If a prior offer has been made by Seller with respect to the goods or services that are the subject of this Purchase Order (the "goods"), Buyer's acceptance of Seller's offer is expressly conditioned on Seller's assent to the terms contained herein. Seller's acceptance of this Purchase Order, promise of shipment, commencement of work on the goods, shipment of the goods or commencement of the performance of services to be rendered hereunder, whichever occurs first, shall be deemed an acceptance of Buyer offer or counteroffer, as the case may be, to purchase solely on the terms set forth in this Purchase Order.

2. Agreement. Prior courses of dealing and performance, projections, forecasts or past purchasing history, trade usage and verbal agreements not reduced to a writing signed by Buyer, to the extent they differ from, modify, add to or detract from the terms herein, shall not be binding on Buyer. This Purchase Order embodies the entire agreement and understanding between Seller and Buyer and supersedes all prior agreements and understandings relating to the subject matter hereof, whether oral or written.

3. Termination. Buyer reserves the right to terminate this Purchase Order or any part hereof (i) for Buyer's sole convenience and (ii) for cause if Seller fails to comply with any of the terms herein, including without limitation, late deliveries or deliveries of products which are defective or which do not conform to this Purchase Order. In the event of such termination for convenience, Seller shall (i) immediately stop all work hereunder and shall immediately cause Seller's suppliers or subcontractors to cease such work, (ii) be paid an amount equal to the reasonable percentage of the order price reflecting the percentage of the work performed or delivered prior to the notice of termination and (iii) not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided. Any claim by Seller for payment of the reasonable percentage of the order price provided for hereunder shall be deemed waived unless asserted in writing to Buyer within fifteen (15) days after receipt by Seller of the notice of termination. In the event of termination for cause, Buyer shall not be liable to Seller for any amount.

4. Price Warranty. Seller warrants and guarantees that the prices or other terms of sale for the goods or services rendered hereunder are not less favorable than those currently extended to any other customer for the same or similar goods or services in similar quantities. If Seller sells or offers to sell goods or services to other customers at more favorable prices or on more favorable terms in violation of this price guarantee, the price or other terms with respect to the goods covered by this Purchase Order shall be deemed automatically revised to equal such more favorable terms. If Buyer has paid amounts in excess of such lower prices, Seller

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

shall promptly refund the difference in price to Buyer. In the event Seller reduces Seller's price for such goods or services during the term of this Purchase Order, Seller agrees to reduce the prices hereof correspondingly. Seller will provide at least sixty (60) Days advance written notice of any price increases. Seller agrees that prices shown on this Purchase Order are all inclusive, and no additional charges of any type, including, without limitation, shipping, packaging, labeling, custom duties, taxes, storage or insurance, shall be added without Buyer's express written consent.

5. Time of Performance. Time is of the essence of this Purchase Order and any failure to deliver within the time specified in this Purchase Order shall constitute a material breach hereof. If goods are not delivered within the time specified in this Purchase Order, Buyer reserves the right at Buyer's option and without limitation to cancel the Purchase Order, reject any goods delivered after the time specified and return such goods at Seller's expense and/or hold Seller liable for all damages sustained as a result of such late delivery, including costs incurred to obtain replacement goods. In addition to the foregoing, Buyer may exercise any other rights provided under the Uniform Commercial Code or other applicable law arising from such failure to timely deliver the goods. Seller agrees to inform Buyer immediately in writing of any failure to timely ship all or any part of a Purchase Order. Buyer's acceptance of any goods after the applicable delivery time does not constitute a waiver of, or otherwise limit, any of Buyer's rights resulting from the late delivery or obligate Buyer to accept delivery of any additional goods under the Purchase Order.

6. Inspection. Payment for the goods or services rendered under this Purchase Order shall not constitute acceptance thereof. Buyer shall have the right prior to acceptance to inspect any such goods and to reject any or all of said goods which are in Buyer's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned to Seller at Seller's expense and, in addition to Buyer's other rights, Buyer may charge Seller all expenses of unpacking, examining, repacking and reshipping such goods and risk of loss upon reshipment to Seller shall be Seller's. In the event Buyer receives goods whose defects or nonconformity is not apparent on examination, Buyer reserves the right to require replacement, as well as payment of damages. Nothing contained in this Purchase Order shall relieve Seller in any way from the obligation of testing, inspection and quality control.

7. Force Majeure. Buyer shall not be liable for, and no breach by Buyer shall occur as a result of, failure to accept the goods or services or to perform Buyer's contractual responsibilities if such failure is due to causes beyond Buyer's reasonable control, including, without limitations, acts of God, Seller, or civil or military authority, judicial action, fires, floods, epidemics, quarantine restrictions, strikes, war, riots, delays in transportation, or inability due to causes beyond Buyer's reasonable control to obtain necessary labor, materials, or manufacturing facilities. Seller shall hold such goods at Buyer's direction and shall deliver them when Buyer gives Seller notice that the cause affecting the failure to perform has been removed. Buyer shall be responsible only for Seller's direct out-of-pocket costs in holding the goods or delaying performance of this Purchase Order at Buyer's request.

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

8. Risk of Loss. Notwithstanding the use of any F.O.B. or other term on the face of this Purchase Order to the contrary, Seller assumes all risk of loss of the goods until Buyer actually receives goods fully conforming to this Purchase Order.

9. Compliance with Laws. Seller represents and warrants to Buyer that sales of the Goods to Buyer or its affiliates under this Agreement will not violate any laws or regulations applicable to Buyer. Seller further represents and warrants to Buyer that to best of Seller's knowledge, neither Seller nor any person or entity that owns or controls Seller, or that Seller owns and controls, is a designated target of any trade, economic/financial sanction or sanctions adopted by the US, EU, UN, or the country of origin of the goods. Seller and its affiliates will comply with all applicable laws and regulations (including, without limitation, Sanctions laws). Seller and its affiliates will not directly or indirectly (a) violate any anti-corruption law or international anti-corruption standard, including but not limited to the U.S. Foreign Corrupt Practices Act; and/or (b) violate any Anti-boycott laws or regulations of the U.S. In the event a government inquiry is received by the Buyer that is related to the Seller or any of its products, Seller agrees to cooperate and provide information needed by the requesting party to the best of their knowledge and in compliance with the law. Seller agrees to provide country of origin for all items purchased by Buyer and if requested, applicable certificates of origin for qualifying goods.

10. Warranties. In addition to Seller's customary warranties (which are specifically incorporated herein), any express warranties set forth on the face hereof and any other warranties contained herein, Seller expressly warrants that all of the goods sold or services rendered under this Purchase Order: (i) will conform to all specifications and descriptions and will be of equal or better quality as all samples thereof delivered to Buyer, (ii) will be new and not used, will not be remanufactured, reconditioned or refurbished and will be delivered free and clear of all liens, encumbrances or claims of any third party, (iii) will be free from all defects, whether patent or latent, in design, material or workmanship, (iv) will conform to any statements made on the containers, labels or advertisements for such goods or services, (v) will be contained, packaged, marked and labeled in accordance with all applicable laws and in a manner that will ensure delivery thereof without damage, (vi) will be merchantable, (vii) will not (and their normal use or resale will not) infringe any patent, trademark, copyright, tradename, trade dress, trade secret or any other proprietary or contractual right of any third party now or hereafter existing under the laws of the United States of America or any foreign country or jurisdiction, and all royalties owed by Seller to any third party licensor in connection with the goods will have been fully paid, (viii) will be fit, sufficient and safe for the particular purpose for which the goods or services are intended, (ix) will be manufactured, processed, assembled, packaged, labeled, shipped and delivered in accordance with, and will not in any way violate, any applicable laws, ordinances, statutes, rules or regulations of the United States or any foreign, state or local government or any subdivision or agency thereof, including but not limited to any laws and regulations relating to health, safety, environment, employment and labor, including any such laws and regulations with respect to wages, working hours, working and living conditions, discrimination in hiring and employment practices (collectively, "Applicable Laws"), and (x) no child, forced, prison, compulsory or slave labor, physical abuse or corporal punishment in violation of any Applicable Law will be utilized in the

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

manufacture, processing, assembly, packaging, labeling, shipping or delivery of any goods or services that are the subject of this Purchase Order. Inspection, test, acceptance or use of the goods delivered or services rendered hereunder shall not affect Seller's obligation under these warranties, and such warranties shall survive inspection, test, acceptance and use. Seller's warranties shall run to Buyer, our successors, assigns and customers, and users of products sold by Buyer. In addition to warranties set forth in this Section 10, all other representations, warranties and guarantees provided or implied by law, including but not limited to all warranties provided by the Uniform Commercial Code, are specifically incorporated herein. Nothing contained in this Purchase Order shall be deemed a waiver of any representations, warranties or guarantees implied by law.

11. Remedies. In the event of Seller's failure to comply with any of the terms and conditions of this Purchase Order or breach of any of the warranties set forth herein, Buyer shall be entitled to any one or more of the following remedies, exercised in Buyer's sole and absolute discretion: (a) cancellation of all or any part of any undelivered Purchase Order without notice, including but not limited to the balance of any remaining installments on a multiple-shipment Purchase Order; (b) rejection (or revocation of acceptance) of all or any part of any delivered shipment, with return of any such rejected goods at Seller's risk and expense; (c) repair or replacement of any goods not conforming to the terms and conditions of this Purchase Order, including but not limited to the warranties set forth in Section 10, or a full refund or credit of the price actually paid for any such non-conforming goods in lieu of replacement; (d) recovery and reimbursement of any damages, costs or expenses incurred as a result of Seller's breach or default, whether direct, indirect, incidental or consequential in nature, including but not limited to reimbursement by Seller of all costs and expenses incurred by Buyer in the repair or replacement of non-conforming goods used in or constituting a component of Buyer's customers' equipment, including the costs of time, labor and materials utilized in any such servicing of customer equipment; and (e) all other remedies available under the Uniform Commercial Code and such other remedies as are provided under Applicable Law.

12. Confidentiality. Seller shall consider all information furnished by Buyer to be confidential and shall not disclose any such information to any other person or use such information itself for any purpose other than performing this Purchase Order, unless Seller obtains written permission from Buyer to do so. This Paragraph shall apply to drawings, specifications or other documents prepared by Seller for Buyer in connection with this Purchase Order. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Buyer shall be deemed secret or confidential, and Seller shall have no rights against Buyer with respect thereto, except such rights as may exist under patent laws.

13. Indemnification. Seller hereby agrees to indemnify, defend and hold harmless Buyer and Buyer's officers, directors, agents, successors, assigns, agents, subsidiaries, affiliates, customers or other vendors (collectively, "Indemnified Persons") from and against any and all alleged or asserted liabilities, claims, suits, actions, demands, damages, losses and expenses, whether direct, indirect, incidental, consequential, special or punitive (including costs and attorney fees)

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

(collectively, "Covered Claims") relating to or arising from any of the following: (a) violation or infringement of any patent, trademark, copyright, tradename, trade dress, trade secret or of any other contractual, intellectual property or other rights of any third parties arising out of the purchase, use or sale of any goods delivered or services rendered hereunder or of any product containing such goods as a component; (b) any unfair competition arising from any text, copy, design, mark, or appearance of any such goods; (c) any defect in the goods delivered or services rendered hereunder or any actual or alleged breach of any warranty, guarantee or certification by Seller (including, but not limited to, any warranties set forth in this Purchase Order or otherwise implied by law) in connection with such goods or services or of any other term of this Purchase Order; (d) any personal injury, illness, death or property damage resulting from the purchase or use of, or contact with, any goods delivered or services rendered hereunder (including any such goods that have been incorporated as a component into other products); (e) unless otherwise provided on the face hereof, the assessment or imposition of any excise or other tax (however designated) upon the production, sale, delivery or use of the goods or services rendered hereunder, to the extent such assessments or impositions are required, or not forbidden by law, to be borne by Seller, (f) any violation by Seller of any Applicable Law and (g) Seller's negligent acts or omissions in connection with any goods delivered or services rendered hereunder. Upon notice of any Covered Claim, Seller will promptly assume full responsibility for the defense, at Seller's sole expense, of the Covered Claim. Seller further agrees to indemnify and save harmless the Indemnified Parties from any and all costs, expenses, losses, royalties, profits and damages (including court costs and attorneys' fees) resulting from any Covered Claim or from any suit or proceeding involving Covered Claims, including any settlement. This indemnification shall be in addition to Seller's warranty obligations. An Indemnified Party may be represented by and actively participate through its own counsel in any such suit or proceeding. The indemnification obligations under this paragraph shall survive the termination of this Purchase Order and shall continue for as long as the statute of limitations applicable to any potential Covered Claim remains unexpired.

14. Insurance. Throughout the term of the indemnification obligation set forth in paragraph 13, Seller shall carry, at Seller's sole cost and expense, commercial general liability insurance on a form offering coverages equal to ISO form CG 0001 (0197), including product liability and completed operations coverage and broad form vendors and contractual liability endorsements, in the amount of not less than \$5,000,000 combined single limit per occurrence, without any portion of such insurance designated as self-insurance and with such insurance to be primary over and above any other insurance available to Indemnified Persons. Such coverage shall be on a date of occurrence form, shall name all Indemnified Persons as additional insureds, and shall provide for a waiver of subrogation in favor of those Indemnified Persons. The insurance coverage required by this paragraph shall be provided by an insurance company with a rating of at least "A 10" in Best's Insurance Guide. Seller shall deliver to Buyer, as of the date this Purchase Order is accepted or work begins on the goods to be delivered or the services to be provided hereunder, a certificate of insurance showing all Indemnified Persons as additional insureds under the foregoing insurance coverage and providing that such insurance

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

shall not lapse or be cancelled or modified until Buyer has been given 30 days prior written notice of the intended cancellation or modification. Within 60 days after this Purchase Order is accepted or work begins on the goods to be delivered or the services to be provided hereunder, Seller shall deliver to Buyer copies of the endorsements naming Indemnified Persons as additional insureds.

15. Independent Contractor. Seller acknowledges that Seller is an independent contractor and is not Buyer's agent, partner, joint venturer nor employee. Seller shall have no authority to bind or otherwise obligate Buyer in any manner nor shall Seller represent to anyone that Seller has a right to do so.

16. Changes. Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, Seller shall notify Buyer of such increase or decrease and upon Buyer's written agreement an equitable adjustment shall be made and this Purchase Order shall be modified in writing accordingly. Any increase in price or time required for performance is waived unless requested by Seller in writing to Buyer within fifteen (15) days after Seller receipt of notification of such change.

17. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws (as opposed to conflicts of law provisions) of the State of Illinois. Seller agrees to the jurisdiction of any state or federal court located within or that has jurisdiction over Springfield, Illinois. Seller waives any objection based on forum non conveniens and any objection to venue of any action instituted hereunder.

18. Severability; Amendment; Waiver. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. No amendment, modification or waiver of any provision of this Purchase Order shall be valid unless in writing and signed by both parties. Buyer's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege hereunder, or Buyer waiver of any breach hereunder, shall not thereafter waive any other terms, conditions or privileges, whether of the same or similar type nor shall any single or partial exercise of any right or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right or privilege.

19. Limitation on Bunn-O-Matic's Liability. Buyer's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from this Purchase Order, or from the performance or breach thereof, shall in no case exceed the price allocable to the goods or services or any part thereof which gives rise to the claim. In no event shall Buyer be liable for any other damage or loss, including, but not limited to, lost profits, lost sales, cost of capital, cost of down time or any other special, incidental or consequential damages.

20. Right of Set-Off. Buyer may set-off against all claims for money due or to become due from Buyer any amounts due or to become due to Buyer from Seller, whether or not related to this Purchase Order. If Buyer determines that Seller's performance hereunder is likely to be impaired, Buyer may establish a reserve to satisfy Seller's obligations by withholding payment of invoices.

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

21. Assignment. No right or interest hereunder shall be assigned by Seller, and no delegation of any obligation owed, or of the performance of any obligation, by Seller shall be made, without Buyer's prior written consent.

Purchase Order Terms and Conditions

Revision A Date: April 4, 2017

Revision	Date	Change	Revised by:
A	01/20/10	Release of Specification	PK NOC 21737