



PURCHASE ORDER GENERAL TERMS AND CONDITIONS OF BUYER

PURCHASE ORDERS ARE GIVEN AND ACCEPTED SUBJECT TO THESE GENERAL TERMS AND CONDITIONS BETWEEN ARLON GRAPHICS, LLC (“BUYER”) AND SELLER (AS IDENTIFIED IN THE SUBJECT PURCHASE ORDER). BUYER AND SELLER BOTH EXPLICITLY ACKNOWLEDGE THAT THESE GENERAL TERMS AND CONDITIONS CONTROL OVER ANY CONTRARY TERMS OR CONDITIONS WHETHER WRITTEN OR ORAL. NO TERMS ADDITIONAL TO, OR DIFFERENT FROM, THESE GENERAL TERMS AND CONDITIONS SHALL BE BINDING ON BUYER UNLESS AND UNTIL EXPRESSLY ACCEPTED BY BUYER IN A SIGNED WRITING WHICH SPECIFICALLY REFERS TO THESE GENERAL TERMS AND CONDITIONS AND SPECIFICALLY WAIVES THE SUPREMACY OF THESE GENERAL TERMS AND CONDITIONS. SELLER EXPRESSLY ACKNOWLEDGES THAT THESE GENERAL TERMS AND CONDITIONS APPLY TO ALL TRANSACTIONS BETWEEN BUYER AND SELLER WHETHER OR NOT ACCOMPANIED BY A SEPARATE PURCHASE ORDER. THESE GENERAL TERMS AND CONDITIONS WILL APPLY TO ALL TRANSACTIONS BETWEEN BUYER AND SELLER WHETHER OR NOT THOSE TRANSACTIONS INCLUDE A COPY OF THESE GENERAL TERMS AND CONDITIONS. SELLER EXPRESSLY ACKNOWLEDGES THAT IT IS BOUND BY THESE GENERAL TERMS AND CONDITIONS, AS UPDATED, FOR ALL TRANSACTIONS WITH BUYER.

BUYER WILL FROM TIME TO TIME UPDATE THESE GENERAL TERMS AND CONDITIONS, AND WILL POST THEM ON BUYER’S WEBSITE AT <http://www.arlon.com/Terms-and-Conditions>. SELLER EXPRESSLY ACKNOWLEDGES THAT IT IS SELLER’S CONTINUING DUTY TO CONSULT THE BUYER’S WEBSITE FOR THE THEN-CURRENT GENERAL TERMS AND CONDITIONS. SELLER IS RESPONSIBLE FOR KNOWING WHAT THE THEN-CURRENT GENERAL TERMS AND CONDITIONS ARE WHEN AGREEING TO AN ORDER WITH BUYER, AND SELLER AGREES TO BE HELD TO THE THEN-CURRENT GENERAL TERMS AND CONDITIONS. ALL REFERENCES TO “GENERAL TERMS AND CONDITIONS” OR “TERMS AND CONDITIONS” HEREIN REFER TO: 1) THOSE INCLUDED IN THIS WRITING UNTIL SUCH TIME AS THEY ARE SUPERSEDED BY UPDATED GENERAL TERMS AND CONDITIONS PUBLISHED ON BUYER’S WEBSITE AT <http://www.arlon.com/Terms-and-Conditions>; 2) THEREAFTER, “GENERAL TERMS AND CONDITIONS” OR “TERMS AND CONDITIONS” REFERS TO THE THEN-CURRENT GENERAL TERMS AND CONDITIONS PUBLISHED ON BUYER’S WEBSITE.

- 1 . OFFER AND ACCEPTANCE. All Purchase Orders between Buyer and Seller include these General Terms and Conditions and all specifications attached by Buyer hereto or expressly incorporated by Buyer herein by reference. Seller's acceptance of a Purchase Order or delivery or provision of “Products” as defined herein shall constitute acceptance by Seller of each and every term and condition herein. Buyer reserves the right to revoke a Purchase Order at any time prior to Seller's acceptance thereof. In the event Buyer and Seller consummate a transaction, either with or without a documented purchase order, these General Terms and Conditions shall apply to all such transactions, and the term “Purchase Order” herein shall be understood to apply to all such transactions. Seller’s acceptance of payment hereunder shall constitute Seller’s acknowledgement of good and sufficient consideration for the work to be performed hereunder, the product to be delivered hereunder, and these General Terms and Conditions.
2. DEFINITION OF “PRODUCT”. The term “Product” as used herein means (a) materials, components, supplies, diagrams, designs, equipment, data and other articles or property and/or (b) services, as the case may be; which Product is i) created by Seller in order to perform the work or deliver the Product hereunder; or ii) to be delivered under a Purchase Order; or iii) actually delivered under a Purchase Order. “Product” includes, without limitation, design, installation, inspection, and testing as specified by Buyer or as required to supply or furnish any good or service prepared pursuant to or delivered under a Purchase Order.



3. **DOCUMENTATION.** All invoices, shipping documents, labels, receipts and related correspondence and documentation referring to a Purchase Order shall carry Buyer's Purchase Order number. Seller's invoices shall clearly specify all Federal, state or municipal sales and use, excise or transportation taxes relating to the Product, and shall certify that the Product was produced and supplied in accordance with all applicable international, federal, state and local statutes, administrative rules and regulations, including but not limited to the provisions of the Fair Labor Standards Act of 1938.
4. **DELIVERY; TRANSPORTATION; RISK OF LOSS.** Where the Product must be physically shipped, delivery of the Product shall be F.O.B. Buyer's address set forth on the Purchase Order, at the lowest cost form of transportation as commercially reasonable, unless otherwise specified by Buyer in a Purchase Order. Seller shall be liable for any difference in transportation charges between shipment as made and shipment as requested by Buyer in a Purchase Order, and such difference may be deducted by Buyer from payment to Seller. All transportation charges, including insurance, shall be prepaid by Seller, and in the event such charges are not prepaid, Buyer shall have the right to refuse acceptance of the Product and cancel a Purchase Order. Title to, and risk of loss of, the Product shall remain with Seller until receipt by Buyer.
5. **INSPECTION; PAYMENT.** Buyer shall have the right to inspect the Product following Buyer's receipt thereof and, at Buyer's option, prior to receipt thereof at Seller's premises. Buyer's payment for the Product shall not be deemed to constitute acceptance thereof nor shall such payment be deemed to constitute a waiver by Buyer of any right to reject the Product or revoke acceptance thereof or a waiver by Buyer of any warranty of Seller, express or implied.
6. **TIME FOR PERFORMANCE.** Seller's performance under a Purchase Order by delivery of the Product at the date or dates specified therefor is a material term hereof and time is of the essence. In the event that Buyer does not receive the Product (or installment thereof, as applicable) on or before the date specified herein for delivery, Buyer shall have, in addition to all other remedies provided by law, the right to cancel a Purchase Order in its entirety, without liability to Buyer. Buyer, at its option, may accept delivery of the Product (or installment thereof, as applicable) on a date or dates different from those specified for delivery herein without waiver of any rights by Buyer as to prior or subsequent deliveries of the Product.
7. **WARRANTY; REMEDIES.** Seller warrants that the Product shall conform in all respects to the terms, conditions and specifications of a Purchase Order, that all designations or markings appearing on the Product relating to the weight, measurement, ingredients or quality of the Product shall represent the true net weight, measurement, ingredients or quality thereof, that the Product shall be merchantable, fit for its intended use and free from defects in materials and workmanship and that the Product shall be produced and supplied in accordance with all applicable international, federal, state and local statutes, administrative rules and regulations. In the event the Product does not so conform or is defective and Buyer (or within one year after discovery by Buyer or Buyer's customer in the case of latent nonconformity or defect) Seller shall promptly remedy the same at Seller's sole cost and expense, by repair, modification, replacement, or full refund, at Buyer's option, and Buyer shall have all other remedies provided by law. Seller represents and warrants that Seller's signing of this Agreement and the performance of services by Seller hereunder is not and will not be in violation of any other contract, agreement or understanding to which Seller is a party or by which Seller is bound.



8. REPAIR BY BUYER. Buyer may, without waiver of any other right of Buyer hereunder repair, alter or modify, at Seller's cost, Product which is not in conformity with the terms, conditions and specifications of a Purchase Order.
9. INDEMNIFICATION OF BUYER. Seller shall be liable to Buyer for, and shall defend, hold Buyer harmless and indemnify Buyer from and against, any and all suits, actions, proceedings claims, liabilities, judgements, damages, interest, attorneys' fees, expenses and costs whatsoever, no matter when the same may arise or be sustained, whether relating to injury to person or property or any

other loss, which are or are claimed to be in any manner caused, contributed to or occasioned by reason of the default or breach of any term or condition of a Purchase Order or these General Terms and Conditions, or by reason of the manufacture or delivery of the Product, or by the negligence, recklessness or intentional acts of Seller or Seller's agent, or by the performance or failure to perform hereunder by Seller or Seller's agent, or by the negligence, whether active or passive, or intentional act of Seller or Seller's agent. Seller shall have insurance covering its work hereunder, and shall list Buyer as an "Additional Insured" and/or as "Loss Payee" with respect to the work and/or Product hereunder, Seller responsible for increased premium if any. Seller's responsibility to indemnify does not give it the right to control Buyer's defense, and Buyer is entitled at its sole discretion to be represented separately by counsel of its choosing.

10. CHANGES; CANCELLATIONS. Buyer shall have the right on reasonable written notice to Seller to change the quantity, scope, specifications, time of performance or other content of a Purchase Order. Seller shall notify Buyer in writing immediately in the event that Seller desires to adjust Seller's quote price for the Product or delivery thereof as set forth in a Purchase Order due to any such requested change. Buyer shall not, under any circumstances, be obligated by such adjustment to pay more than the price stated in a Purchase Order (or the price derived by application of Paragraph 15 hereof, as applicable) for all Product previously delivered to Seller, plus Seller's actual cost with respect to the uncompleted portion of the Purchase Order.
11. ASSIGNMENT OF RIGHTS TO SELLER. All Product delivered to Buyer by the Seller shall become the property of the Buyer, unless the parties agree otherwise in a signed contract which specifically refers to these General Terms and Conditions and to this paragraph. The Product will be provided on a "work for hire" or "works made for hire" basis as those terms are defined under the U.S. copyright laws, of which the Buyer is the sole author and owner. To the extent, if any, that Seller may be deemed the author of any portion of the Product, Seller hereby fully and irrevocably assigns, transfers, conveys and relinquishes all rights, title and interest therein, including, without limitation, all copyrights, to the Buyer, and grants the Buyer a power of attorney coupled with an interest, to apply for and obtain all such copyrights in the Buyer's name. The duration shall be for the life of the copyright in the Product and all renewals and extensions thereof. Further, Seller shall have no right to attach its name or trademarks, logos or trade names to the Product. The provisions in this paragraph shall survive indefinitely. The existence of any claim or cause of action by the Seller against the Buyer shall not constitute a defense to the enforcement by the Buyer of the covenants and agreements of this paragraph.
12. TITLE; PATENTS; COPYRIGHTS. Seller warrants that it has good and transferrable title to the Product, free from any claim of any third party. To the extent that the Product's manufacture or provision to or use by Buyer involves a process, procedure, or other matter susceptible of patent, Seller warrants that neither the Product nor the sale or use thereof infringes or will infringe any United States or foreign letters patent or copyright and Seller shall defend and hold Buyer harmless from and against



all costs, expenses, including attorneys' fees, and damages or loss occasioned by any alleged infringement of any patent or copyright, whether by reason of the sale or use of the Product or because the same is enjoined. In the event the Product is asserted by Seller to be protected by one or more patents owned or controlled by Seller and suit is instituted to declare any such patent or its claims invalid or so limited in scope as to impair the Product's commercial protection, in addition to all other remedies provided to Buyer herein, Buyer shall have the right to cancel a Purchase Order without obligation or liability. Notwithstanding the foregoing, if the Product involves a process, procedure or other matter susceptible of patent, which process, procedure or other matter did not exist before manufacture, transfer or delivery to buyer of the Product, whether such process, procedure or other matter was made by Seller, by Buyer, or in collaboration between Buyer and Seller, or between Buyer, Seller and a third party or parties, such process, procedure or other matter is and will be, the property of the Buyer, and whether or not Seller may be deemed the creator or a creator of any portion of the process, procedure, or other matter, Seller hereby fully and irrevocably assigns, transfers, conveys and relinquishes all rights, title and interest therein, including, without limitation, all patent rights, to the Buyer, and grants the Buyer a power of attorney coupled with an interest, to apply for and obtain all such patents in the Buyer's name. The duration shall be for the life of the patent in the process, procedure, or other matter, or the Product and all renewals and extensions thereof. The provisions in this paragraph shall survive indefinitely. The existence of any claim or cause of action by the Seller against the Buyer shall not constitute a defense to the enforcement by the Buyer of the covenants and agreements of this paragraph.

13. **NON-DISCLOSURE AGREEMENT:** It is understood that in the course of the Seller's performance hereunder Seller may become privy to information relating to the Buyer's operations, employees, finances, projects, products and production plans, research and development, system design, software, hardware, technical processes and formulas, source codes, activities, and so on. Such information shall be deemed confidential in every case where either a reasonable person would understand it to be confidential or the Buyer has identified it as such, unless the information in question (i) was already known to Seller prior to its first disclosure hereunder; (ii) has become generally known to the public through no fault of the Seller's; or (iii) is required by law to be disclosed (in which case the Seller shall provide the Buyer with a reasonable opportunity to seek a protective order maintaining confidentiality). Seller shall maintain the secrecy of all of the Buyer's confidential information (including, without limitation, all confidential information that the Buyer has received or will receive from third parties), using the same care it applies to its own confidential information, and shall make use of such confidential information only to the minimum extent necessary to effect the agreement between Buyer and Seller. Seller shall not exploit or reveal to any third party any of such information without the Buyer's express prior written consent. This provision shall apply to all confidential information, whether it was exchanged before or after the date of Seller's agreement to these General Terms and Conditions. All confidential information referred to in this paragraph in whatever form shall at all times remain the property of the Buyer, and shall, upon written request of the Buyer, be delivered by Seller to the Buyer in all tangible forms, or, promptly destroyed by Seller to the extent such delivery is impracticable. This is a material term of the agreement between Buyer and Seller. It is agreed that time is of critical importance for this provision. Seller consents to the entry of an immediate injunction to enforce the provisions of this paragraph by any Court qualified to hear the matter under Paragraph 24, below.
14. **LIMITED LICENSE.** Buyer grants to Seller a limited, revocable, nonexclusive license to use its trademark, logo, and such other intellectual property ("Buyer's Intellectual Property") as is necessary



for performance of the tasks and delivery of the Product contemplated herein. Said license is limited to only the minimum extent necessary for performance of the tasks and delivery of the Product contemplated herein. No further license is granted absent an express writing which refers to these General Terms and Conditions and this provision, and Seller is not licensed to use Buyer's Intellectual Property or name in any other way, including but not limited to, and by way of example rather than limitation, on websites or in promotional material. Seller grants to Buyer a limited, revocable, nonexclusive license to use its trademark, logo, and such other intellectual property ("Seller's Intellectual Property") as is necessary for performance of the tasks and delivery of the Product contemplated herein. Said license is limited to only the minimum extent necessary for performance of the tasks and delivery of the Product contemplated herein. No further license is granted absent an express writing which refers to these General Terms and Conditions and this provision, and Buyer is not licensed to use Seller's Intellectual Property or name in any other way, including but not limited to, and by way of example rather than limitation, on websites or in promotional material.

15. **DRAWINGS; TOOLS; INSURANCE.** All drawings, prints, molds, templates, dies, patterns, tools, specifications, drawings, blueprints, prototypes and similar items furnished by Buyer to Seller in connection with a Purchase Order shall remain Buyer's property and shall be returned to Buyer, at Buyer's request, in the same condition as originally received by Seller, reasonable wear and tear excepted. Seller shall utilize such items solely for the benefit of Buyer and shall not reveal or disclose any of such items to any third party to the extent same may be Buyer's proprietary property. Seller shall keep all such items insured while in Seller's custody, at no less than the replacement cost thereof, which insurance shall name Buyer as loss payee.
16. **FORCE MAJEURE; DEFERMENT OF DELIVERY.** In the event of fire, flood, strike or similar labor disturbances, action of international, federal, state or local governmental authority or subdivision, accident, war or any other cause whatsoever beyond the reasonable control of Buyer which prevents or materially interferes with Buyer's acceptance or use of the Product, Buyer may, without obligation or liability to Seller, cancel a Purchase Order in whole or in part or defer delivery of the Product.
17. **QUANTITIES; COUNT.** Seller's delivery of Product in excess of that provided for in a Purchase Order shall not obligate Buyer to purchase any such excess. Excess quantities of Product may be returned to Seller and Seller shall reimburse Buyer for any costs or expenses including all transportation charges incurred by Buyer with respect thereto. Buyer's count of the Product shall be conclusive.
18. **PRICES; DISCOUNT.** Seller shall provide the Product at prices no higher than as specified on the face of a Purchase Order, which prices Seller warrants to be no greater than Seller's price to similar Buyers for the same or similar quantities of the Product. In the event that no price is so specified, the price for the Product shall be the lower of (a) Seller's then quoted price for similar quantities of the Product to purchasers similar to Buyer; or (b) the then prevailing market price for the Product at the date for delivery by Seller; or (c) Seller's last quoted price to Buyer for the Product. Buyer shall not pay any charges whatsoever except as specifically set forth on a Purchase Order, whether for packing, loading, packaging or any other service or material.
19. **CONFIDENTIALITY.** The terms and conditions of a Purchase Order shall be kept confidential by Seller and Seller shall take all necessary measures to ensure the confidentiality of Buyer's scientific or technical data, specifications, engineering, drawings, blueprints and like information identified by Buyer as proprietary or trade secrets. Such information shall be disclosed within the Seller's organization solely on a need-to-know basis.
20. **COMPLIANCE WITH APPLICABLE LAW.** Seller shall comply in the performance of a Purchase Order with each and every provision of applicable international, federal, state or local law, rule or



regulation, including those set forth in applicable Executive Orders, as amended or superseded, relating but not limited to such matters as employment of veterans and handicapped persons, non-discrimination, equal opportunity, utilization of minority business, small business, labor surplus area business and women-owned business, each such provision being deemed by this reference to be expressly incorporated herein.

21. **NON-WAIVER.** Neither Buyer's exercise nor Buyer's failure to exercise any right or remedy granted or provided by a Purchase Order or Buyer's acceptance of or payment for the Product shall be construed to be a waiver of any right or remedy Buyer may have for Seller's then existing or subsequent default, breach or noncompliance thereunder.
22. **ALL PROVISIONS MATERIAL.** Buyer and Seller both understand and agree that every provision in these General Terms and Conditions is material. Each and every provision hereunder is critical to the agreement between the Parties, and Buyer and Seller both agree that any provision herein may be enforced by immediate injunction in any Court qualified to decide the matter under Paragraph 24, below.
23. **ASSIGNMENT.** A Purchase Order may not be assigned by Seller in whole or in part without the prior written consent of Buyer, and any such attempted assignment shall be null and void,
24. **GOVERNING LAW.** All Purchase Orders and these General Terms and Conditions, Seller's acceptance hereof, and any dispute arising hereunder or pursuant to a Purchase Order or these General Terms and Conditions shall be governed by the laws of the State of California. Buyer specifically consents to both the jurisdiction of and venue in the Central District Court of California, or Superior Court for the State of California in Orange County. In the event of any dispute involving a Purchase Order and these General Terms and Conditions, the prevailing party shall be entitled to recover costs and attorneys fees. A party is a prevailing party even if it only receives injunctive relief.
25. **SEVERABILITY.** If any term or other provision of these General Terms and Conditions, or any application thereof to any circumstance is invalid, illegal or incapable of being enforced by any rule of law, or public policy in whole or in part, such provisions or applications shall to that extent and that extent only be severable and shall not affect other provisions or applications of this agreement.
26. **INTERPRETATION:** These General Terms and Conditions shall be interpreted in accordance with the plain meaning of their terms and not strictly for or against either of the parties. It is the product of arms-length negotiations by parties which have and/or have had the opportunity to be advised by counsel with respect thereto. These General Terms and Conditions shall be construed so as to uphold and enable their enforceability.
27. **ENTIRE AGREEMENT.** The Purchase Orders and these General Terms and Conditions constitute the sole and entire agreement between Buyer and Seller relating to the subject matter hereof and all prior or contemporaneous understanding or agreements, oral or written, are merged herein. No subsequent changes or modifications to a Purchase Order or these General Terms and Conditions shall be binding upon Buyer unless expressly accepted by Buyer in writing. Seller expressly waives all provisions contained in correspondence, forms or other writings related to the sale of the Product covered by a Purchase Order which negate, limit, extend or otherwise conflict with the provisions hereof.