

PURCHASING TERMS & CONDITIONS

1. **Arrowhead Systems, Inc.** (the "**Buyer**") consists of **Busse/SJI Corporation**, **Arrowhead Conveyor Corporation**, and **A & B Engineering Services, LLC** and may do business as any of these corporations.
2. **ACCEPTANCE:** Seller's acceptance is limited to the terms and conditions contained herein and excludes any different or additional terms and conditions contained in Seller's acceptance. If, for Seller's convenience, Seller's regular acknowledgment order forms are used in accepting this purchase order, the Buyer's acceptance is expressly conditioned upon Seller's assent to any additional or different terms and conditions contained herein. Any contract made by and between the parties is expressly conditioned upon the Buyer's review and approval.
3. **DELIVERY**– Time is of the essence. If Seller acknowledges this order with a delivery date subsequent to that specified by Buyer, Buyer may cancel this order.
4. **PRICE** – The price of the Goods or Services is the price stated on the face of this Order (the "**Price**"). If Price is not shown on this order, the material shall be billed at the price last quoted or paid, or the prevailing market price, whichever is lower. No increase in the Price shown on this order will be accepted by Buyer unless agreed to in writing by Buyer.
5. **TERMS OF PAYMENT** – Seller shall invoice Buyer for the Order within thirty (30) days of delivery. Unless otherwise stated in the Order, Buyer shall pay all properly invoiced amounts due to Seller within sixty (60) days after receipt of such invoice, except for any amounts disputed by Buyer. The parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under the Order notwithstanding any such dispute. Without prejudice to any other right or remedy, Buyer reserves the right to set off any amount owing to it by Seller against any amount payable by Buyer to Seller. Payment of an invoice is not evidence or admission that the Goods or Services meet the requirements of the Order. If more than one payment is required to be made hereunder, Buyer may in its sole discretion, retain up to 10% of any or all installments until completion of the performance due hereunder, at which time the retained sums, less any sums deducted from the total as a set off or recoupment will be paid to Seller.
6. **DUTY and TAXES** – Unless otherwise stated on the face hereof, Buyer hereby certifies that the tangible property or services described in this purchase order is exempt from sales and use tax for the reason that purchase is made for resale, or for use as an ingredient or component part of or for incorporation into a product manufactured for resale.
7. **PACKAGING AND SHIPPING** – All materials shall be suitably packed, marked, and shipped in accordance with the requirements of common carriers, in a manner to secure the lowest transportation cost. Damage to any material not so packed will be charged to Seller. No charge shall be made by Seller for packing, boxing, drayage or storage unless otherwise stated herein.
8. **MATERIAL** – Unless otherwise specified herein, the goods and all components thereof to be furnished under this purchase order shall be new (not used or reconditioned). No substitutions of materials or accessories may be made without Buyer's written consent. No charges of extras will be allowed unless such extras have been authorized in writing by Buyer and the price agreed upon
9. **SHIPPING:** Unless otherwise stated on the face hereof, the goods and all components thereof shall be shipped DAP OR DDP (per Incoterms 2010) Delivery Location, whichever is appropriate.
10. **TITLE/RISK OF LOSS:** Title to the Goods covered by the Order passes to Buyer upon delivery of the Goods to the Delivery Location. Seller bears all risk of loss or damage to the Goods until delivery of the Goods to the Delivery Location. Delivery of the Goods is not complete until the Goods have been received and accepted by Buyer.
11. **WARRANTY** – Seller warrants that all articles and services covered by this Purchase Order will conform to drawings, specifications, or samples and will be merchantable and of good material and workmanship, free from all defects, and be fit for the particular purposes for which same are required by Buyer, which purposes are known to Seller and Seller acknowledges that Buyer is relying upon Seller's skill and judgment to furnish suitable goods. All articles will be subject to Buyer's inspection and rejection at the place of delivery. Defective articles may be returned to the Seller for full credit or replacement at the Seller's risk and expense, including transportation charges both ways, but no defective articles shall be replaced without formal replacement order signed by the Buyer. In addition to the foregoing, Buyer shall have all rights and remedies under the Uniform Commercial Code.
12. **INSTALLMENT DELIVERIES** – The goods called for by this purchase order shall be delivered in a single lot. If delivery in installments is expressly permitted, any goods furnished in any installment and the time

and manner of delivery thereof must comply precisely with the terms and conditions of this purchase order. Any failure to so conform constitutes a substantial impairment of the value of the whole purchase order and shall entitle Buyer, at its option, to cancel all or any part of this order and to return to Seller any goods previously delivered to Buyer, without right in Seller to cure such failure and Seller shall pay all transportation charges for delivery to Buyer and any return to Seller.

13. INDEMNIFICATION: i) Seller warrants that goods furnished under this Purchase Order do not infringe any patent, trademark, trade name or copyright and agrees to indemnify and hold harmless Buyer or its vendees from any and all claims, suits, liabilities, damages, losses or expenses incurred by Buyer or its vendees by reason of any alleged infringement of any of such rights. ii) Seller agrees to indemnify and hold Buyer harmless against any and all liens and encumbrances arising out of the performance hereunder by Seller. iii) Seller shall indemnify Buyer and hold it harmless from any and all claims, demands, liabilities, causes of action, suits, costs and expenses of any kind or nature, including attorneys' fees, arising out of or in any way connected with any delay, work performed or Goods furnished by Seller hereunder. Seller shall maintain liability insurance coverage, including products hazards and completed operations hazards, with coverage limits in an amount acceptable to Buyer, which insurance shall name Buyer as an additional insured. Upon request, Seller shall furnish to Buyer a vendor certificate, or other evidence of such coverage acceptable to Buyer.
14. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS: By acceptance hereof, Seller warrants: (a) that all of the goods, merchandise, and materials delivered and services rendered hereunder will have been produced and provided in compliance with all requirements of the Fair Labor Standards Act of 1938, as amended, and that it will so state on each invoice covering any of the same, and (b) that all goods, materials and equipment delivered hereunder shall comply with the applicable federal standards prescribed by the Occupational Safety and Health Act of 1970 as such standards are in effect on the date of the Order, and (c) the goods purchased hereunder comply with all applicable laws, rules and regulations of federal, state and local governments and agencies thereof, and to the applicable provisions of the National Electrical Code and the American National Safety Institute's Safety Standard, and that Seller will comply with all applicable labor laws, rules and regulations of federal, state and local governments and agencies thereof, including, but not limited to, Executive Orders 11246 (Equal Employment Opportunity) and 11458 (Minority Business Enterprise), Public Law 93-112 (Rehabilitation Act of 1973), and Public Law 93-608 (Vietnam Era Veterans Readjustments Act of 1974) and all rules and regulations passed pursuant thereto which are hereby incorporated herein by this reference, unless this Purchase Order is exempt pursuant to said Executive Orders, or Acts and regulations issued hereunder.
15. WORKMAN'S COMPENSATION AND PUBLIC LIABILITY- When work is to be performed hereunder on Buyer's premises by Seller's employees, Seller agrees to carry at Seller's own expense (a) Workman's Compensation Insurance providing statutory benefits covering such employees, and (b) Contractor's Liability Insurance and, for all vehicles utilized by Seller for such work. Vehicle Liability Insurance, each with a single limit of at least \$500,000 for injury to one or more persons, resulting from one accident, and \$500,000 for property damage resulting from one accident, or such larger amounts and such additional coverage as may be required by Buyer. Certificates of such coverage with thirty day cancellation or amendment notice clause shall be submitted to Buyer's Purchasing Agent prior to work being started
16. PATENTS RIGHTS: Where payment is made for experimental, developmental, or research work, as such, to be performed in accordance with special requirements of the Buyer, Seller agrees to disclose and on request to assign to Buyer each invention, property right, confidential process or know-how and trade secret resulting therefrom. All proprietary rights embodied in design, tools, patterns, drawings, information and equipment supplied by Buyer under this Purchase order are reserved and their use is restricted to the work to be performed hereunder.
17. DRAWINGS AND MATERIALS: All drawings, artwork, special products, materials, information or data furnished by Buyer are Buyer's exclusive property, shall be used by Seller only for Buyer's work, shall be kept confidential, and shall be returned promptly at Buyer's request. All material, supplies, and equipment furnished by Buyer, on consignment for processing, repair or otherwise, shall remain the property of Buyer, shall be maintained by Seller in good condition, shall be used by Seller only for Buyer's work, and shall be returned to Buyer at Buyer's expense on completion, or shipped elsewhere, or disposed of as directed by Buyer with Certification that such action has been completed at Buyer's expense.
18. CHANGES and DELAYS: Buyer may at any time request changes in drawings, designs, specifications, quantities of material or services ordered, and/or delivery schedules. No change in the contract price or delivery schedule shall be made unless agreed to in writing by Buyer.

19. **FORCE MAJEURE:** Neither Seller (in respect of its obligation to make delivery) nor Buyer (in respect of its obligation to accept delivery) shall be liable for any delay or failure of performance due solely to strikes, fires, or other caused beyond its reasonable control provided it shall have given notice of any such cause for delay or anticipated delay promptly following the commencement thereof and shall have used its best efforts to make or accept deliveries, as the case may be, as expeditiously as possible taking such cause for delay into account. If Buyer believes that such causes beyond its control as herein described or the delay or anticipated delay in Seller's deliveries may impair its ability to meet its production schedules or may otherwise interfere with its operations, Buyer may at its option, and without liability to seller, terminate this Contract.
20. **ASSIGNMENT:** Seller shall not assign any of its rights, interests or obligation under this order without prior written permission of Buyer.
21. **INSOLVENCY:** If Seller shall become insolvent, file a petition of bankruptcy, or shall make an assignment for the benefit of creditors, or if a receiver of trustee shall be appointed of or for any of Seller's property or business, this Purchase Order may be cancelled at Buyer's option without liability.
22. **CANCELLATION:** Buyer reserves the right to cancel all or any part of the undelivered portion of this Purchase Order if Seller does not make deliveries as specified, time being of the essence of this contract, or if Seller breaches any of the terms hereof, including without limitation, the warranties of Seller. In addition, Buyer may cancel this order at any time before shipment, but Buyer will pay to Seller a cancellation charge, upon delivery to Buyer of the then completed work, equal to a reasonable payment for Seller's then completed work which will not include payment for anticipated profits on incomplete work.
23. **Entire Agreement:** When this proposal is accepted by Seller and approved by Arrowhead Systems, it shall constitute the entire agreement and there are no oral or other representations or agreements outside of this proposal. Neither party shall assign this Agreement or any interest herein without the prior written consent of the other. The laws of the State of Wisconsin shall govern the validity, construction, effect, execution and performance of this Agreement. If any provision or provisions of this Agreement shall be held to be illegal, invalid or unenforceable, the legality, validity or enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

Date Effective: 5/4/17

Supersedes Version: