

**STANDARD TERMS FOR PURCHASES OF GOODS OR SERVICES
(SUPPLIER)**

1. Formation of Contract. The terms in this form ("Order") are the sole terms for the purchase of goods and services by Kent Power, Inc. ("Buyer"), and shall apply to the exclusion of any additional or different terms contained in Seller's quotation, proposal or acknowledgment, or otherwise proposed by Seller. The Order is limited to and conditional upon Seller's acceptance of these terms exclusively. Any contract for the purchase of goods or services by Buyer is expressly conditioned on Seller's assent to all of the terms in this Order. Buyer objects to any additional or different terms proposed by Seller. Seller's acceptance of these terms shall be conclusively presumed by Seller's signature on this Order or by Seller's shipment of goods or performance of services requested under this Order.
2. Invoicing; Payment and Price. All invoices must show the Order number. Unless otherwise stated in this Order, invoices for accepted goods and services will be paid within 45 days of receipt. Payment does not constitute acceptance of goods or services. The price stated in this Order shall not be increased unless specifically authorized in writing by issuance of a revised Order signed by Buyer. Seller warrants that the prices charged Buyer and stated in this Order are no higher than prices charged by Seller to others for similar goods or services in similar quantities and conditions. If Seller establishes before shipment under any Order, lower prices or terms more favorable to Buyer than those stated on that Order, the lower prices or more favorable terms shall apply to that Order.
3. Taxes. No sales, use, excise or other taxes, whether federal, state or local, shall be added to the purchase price unless otherwise stated in this Order.
4. Shipping. Seller shall deliver to the specific location identified in the Order. Seller must include a packing list with all shipments. Delivery shall be made in one shipment, unless otherwise specified by Buyer. Seller shall adhere to shipping directions specified by Buyer. Seller acknowledges that time is of the essence and Seller shall notify Buyer immediately if Seller believes it cannot meet Buyer's delivery requirements. Buyer may from time to time, by reasonable advance notice to Seller, change delivery schedules. Buyer shall not be liable for payment for goods delivered in excess of the quantities or after the times specified in Buyer's delivery instructions to Seller. Unless otherwise stated in this Order, all shipments shall be F.O.B. Buyer's facility identified in the Order and shall be made at Seller's expense and risk of loss. Buyer shall have the right to instruct Seller on the method of shipment and packaging. No charges will be allowed for boxing, crating, packing, or other preparation for shipment.
5. Changes. Buyer may cancel, modify or suspend any Order if such cancellation, modification or suspension is made before shipment. Buyer may at any time, by reasonable advance written notice to Seller, change the Order as to (a) designs or drawings of, or specifications, standards, performance criteria, or other requirements for the goods or services, (b) time, place, rate or schedule of delivery or performance, (c) method of packing or shipment, or (d) quantity of goods or extent of services. With the exception of a change or suspension to delivery schedules, if any of the above changes causes a change in Seller's cost or time of performance, then an equitable adjustment may be made in the price or time for delivery or performance, or both, if, but only if, Seller gives Buyer a written request for an adjustment within ten (10) days after Buyer notifies Seller of the change and Buyer consents in writing to the adjustment. Without Buyer's prior written approval, Seller shall not change (a) any third party supplier to Seller of services, raw materials, or goods used by Seller in connection with its performance under this Order, or (b) the nature, type, or quality of any services, raw materials, or goods used by Seller or its suppliers in connection with this Order.
6. Inspection of Goods; Samples. All goods and services shall be subject to Buyer's inspection and approval. Buyer reserves the right to reject any nonconforming goods or services. Acceptance of any goods shall not relieve Seller from any of its other obligations under this Order. Seller shall provide samples in the amounts and at the times requested by Buyer.
7. Seller's Quality Control; Inspection of Seller. Seller shall establish and maintain quality control procedures to satisfy the requirements of Buyer and Buyer's customers. Buyer has the right to inspect Seller's facilities periodically to determine Seller's compliance with applicable quality control standards.
8. Seller's Warranties. Seller expressly warrants to Buyer, its customers and assigns, that all goods and services provided will (a) conform to the specifications, drawings, samples, representations and other descriptions of goods and services specified by Buyer, or made by Seller, (b) will be of good material and workmanship, free from defects in material, design and workmanship, (c) will be merchantable and fit for the particular purposes of Buyer and its customers (to the extent Seller is on notice of those purposes); and (d) will comply with all applicable laws and regulations, including but not limited to Seller's identification of any hazardous materials and Seller's providing to Buyer all applicable M.S.D.S. forms. These warranties shall be in addition to any other warranty stated in this Order or available to Buyer under applicable law.
9. Indemnification of Buyer (General). Seller shall indemnify, defend, and hold Buyer and its affiliates, directors, officers, employees, shareholders and agents harmless from all claims, liabilities, and expenses, including but not limited to actual attorney fees, sustained by Buyer or its agents that are caused by any action or inaction of Seller with regard to this Order, including but not limited to defects in any goods or services supplied by Seller.
10. Indemnification of Buyer (Patents). Seller shall indemnify, defend, and hold Buyer and its affiliates, directors, officers, employees, shareholders and agents harmless from any claims, liabilities and expenses, including but not limited to actual attorney fees, sustained by Buyer or its agents and arising out of any claim of infringement of a patent, copyright, trademark, trade name, or other proprietary right, or claim of unfair trade or of unfair competition, in connection with the manufacture, sale or use of goods or services sold by Seller to Buyer, except to the extent that any claim, liability, or expense arises solely from Seller's compliance with specifications furnished by Buyer.
11. Confidentiality of Buyer's Information. Any information disclosed by Buyer to Seller is confidential and Seller agrees not to use or disclose any of that information (except as necessary to fulfill Seller's obligations under this Order) without Buyer's prior written consent.
12. Seller's Default. Seller is in default if any of the following occurs (each, a "Seller Default"): (a) Seller breaches, repudiates, or threatens to breach any term of this Order or in any other agreement between Seller and Buyer; (b) insolvency of Seller or filing of a voluntary or involuntary petition in bankruptcy with respect to Seller; (c) appointment of a receiver or trustee for Seller; or (d) execution of an assignment for the benefit of creditors of Seller.
13. Buyer's Remedies. If a Seller Default occurs, Buyer may exercise any remedy available under law, including but not limited to: (a) Seller's immediate correction, repair, or replacement of goods and services at Seller's expense; (b) Buyer may suspend payments, suspend performance, or cancel all or any part of the balance of any contract with Seller; and (c) Seller shall reimburse Buyer for all damages suffered due to Seller's breach, including but not limited to incidental, consequential and other damages, as well as lost profits, actual attorney fees, and court costs. The remedies in this Order shall be cumulative and in addition to any other remedies allowed to Buyer under law. No waiver by Buyer of any breach or remedy shall be a waiver of any other breach or remedy. If Seller is not in default, Buyer may cancel any contract evidenced by this Order at any time as to all or any part of the undelivered goods or services by giving written notice to Seller. On such cancellation, Buyer will reimburse Seller only for the Seller's actual cost of labor and materials for producing goods under this Order incurred by Seller before Buyer notifies Seller of cancellation, less any net recovery to Seller on disposition or other use of the materials or goods. Seller shall use its best efforts to mitigate its damages under this section. Upon receipt of notice of cancellation, Seller, unless otherwise directed in writing by Buyer, shall (a) terminate immediately all work under this Order; (b) transfer title and deliver to Buyer the finished work, the work in process, and the parts and materials that Seller produced or acquired in accordance with this Order and that Seller cannot use in producing goods for itself or for others; (c) settle all claims by subcontractors approved by Buyer for reasonable costs that are rendered unrecoverable by the cancellation; (d) take actions reasonably necessary to protect property in Seller's possession in which Buyer has an interest; and (e) cooperate with Buyer in resourcing of Seller's goods or services covered by this Order to a different supplier designated by Buyer.
14. Limitation on Seller's Remedies. If Buyer breaches any term in this Order, Buyer shall not be liable for any incidental, consequential, indirect or any other special damages of Seller, including but not limited to lost profits or Seller's attorney fees. Any action against Buyer arising out of this Order must be filed within one (1) year after the claim accrues.
15. Compliance with Laws. Seller warrants that it is and will remain in compliance with all federal, state and local laws, regulations and ordinances relating to Seller's ability to perform its obligations under this purchase order.
16. Setoff. Buyer has the right to deductions or setoffs of any sums due to Buyer from Seller (whether or not arising from this Order) against any sums due to Seller from Buyer (whether or not arising from this Order).
17. Assignment. Seller shall not assign its rights or delegate its duties under this Order without Buyer's prior written consent. Buyer may assign to any third party its rights and obligations under this Order.
18. Entire Agreement and Amendment. This Order contains all of the terms of the agreement between Seller and Buyer as to its subject matter and supersedes all prior oral or written representations, agreements, and other communications between Seller and Buyer. This Order may be amended only by a writing signed by Seller and an officer of Buyer.
19. Severability. All terms shall be enforced only to the maximum extent permitted by law. If any term is invalid or unenforceable, all other terms shall remain in effect.
20. State Law. The sale of goods and services in accordance with this Order shall be governed in all respects by the laws of the State of Michigan.
21. Jurisdiction and Venue. Any action arising out of this Order shall be brought, heard, and decided in Kent County, Michigan. Seller submits to personal jurisdiction in Michigan.

**STANDARD TERMS FOR PURCHASE OF SERVICES
(SUBCONTRACTOR)**

1. Written acceptance by Subcontractor of this Purchase Order ("Order") or the start of any work, performance of any services, or shipment of any goods by Subcontractor shall constitute Subcontractor's acceptance of this Order and of all of its terms and conditions irrespective of whether Subcontractor has returned an acceptance copy.
2. Contractor objects to the inclusion of any different or additional terms or conditions by Subcontractor in accepting this Order. If Subcontractor includes different or additional terms and conditions in its acknowledgment, acceptance, invoice or other document sent in response to this Order and Subcontractor expressly conditions its acceptance of this Order upon Contractor's acceptance of such different and additional terms and conditions, neither Contractor's acceptance of delivery of all or part of the goods or of any work or services nor payment therefor shall constitute acceptance of such different and additional terms.
3. Subcontractor recognizes that this Order may be sent in response to a proposal or other form of offer from Subcontractor and agrees in that event only, that this paragraph shall govern and replace the preceding paragraph, to wit: If Subcontractor's proposal or other form of offer contains terms additional to or different from the terms and conditions in this Order, then Contractor's acceptance of Subcontractor's proposal or offer is hereby expressly conditioned upon Subcontractor's assent to all terms and conditions in this Order.
4. Subcontractor warrants that its goods, materials, labor, or services (collectively "Work") shall conform to the specifications, drawings, samples or other descriptions furnished or specified by Contractor, and will be fit for the purpose intended, of good material and workmanship and free from any defect in material, labor or workmanship. Subcontractor guarantees the Work from any failure of any nature for a period of one year from the date of final acceptance by Contractor or final acceptance of the overall project by Owner, whichever is later, and agrees that as to any such failure that appears during such one-year period Subcontractor will, at Contractor's sole option, correct, repair or replace same at Subcontractor's own risk and expense, including, in the case of goods, that of packaging and transportation. These warranties and remedies are in addition to those provided by the Uniform Commercial Code, if applicable.
5. Unless otherwise agreed in writing, Subcontractor shall not collect from, nor shall Contractor be liable for, any personal property, sales, excise, use and other taxes applicable to the sale, purchase, storage, erection, use, or ownership of goods covered hereby.
6. Delivery of goods and/or performance of Work must be made by the time specified by Contractor and progress must be completed in stages in accordance with the schedule prescribed by Contractor. Subcontractor shall notify Contractor promptly in writing if Subcontractor has reason to believe that deliveries or performance will not be made as scheduled, stating the cause for delay. Time is of the essence and Subcontractor agrees that failure to timely ship or perform will result in substantial damage to Contractor. Unless otherwise specified by this Order, all goods must be tendered in a single delivery and not in lots from time to time. If delivery or performance is not made as specified by Contractor, Contractor may terminate this Order as to all or any portion of the Work and Subcontractor agrees to indemnify Contractor for any loss or damage resulting from Subcontractor's failure to make delivery or perform Work. If Subcontractor fails to meet Contractor's schedule, Subcontractor, upon Contractor's request, shall make express shipments or perform overtime work at Subcontractor's expense.
7. All goods are received subject to Contractor's right of inspection before payment or acceptance. Payment for the Work shall not constitute acceptance thereof. Any rejected goods may be returned or held at Subcontractor's risk and expense and Contractor may charge Subcontractor with cost of transportation, shipping, unpacking, examining, repacking, reshipping or like expense. Subcontractor, at Contractor's option, shall promptly correct or replace the Work rejected at Subcontractor's expense, including transportation costs.
8. All goods shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation cost. Unless otherwise specified by this Order, no charge will be allowed for packing, boxing, freight, express or cartage.
9. Deliveries of goods shall be limited to quantity specified. Contractor may return to Subcontractor shipments in excess of those authorized and Subcontractor shall pay Contractor for all packing, handling, sorting and transportation expenses incurred in connection with such shipments. Contractor may from time to time change shipping schedules or direct temporary suspension of such scheduled shipments.
10. Title to, and the risk of loss of the goods shall not pass to Contractor until the goods are delivered to Contractor and Contractor accepts the goods. Subcontractor shall maintain all appropriate insurance to cover the goods while in transit and shall have all responsibility for and expense of preparing and filing claims against carriers for loss or damage to goods in transit.
11. Subcontractor agrees to defend, indemnify and hold Contractor harmless, assume legal liability for and at Contractor's option, defend Contractor, its agents, employees, officers and directors ("Indemnitees") from any claim, action, cost, expenses, damages (including actual attorney fees), (collectively "Claims") arising out of or alleged to arise out of the Work, or from the presence of Subcontractor, its subcontractors, suppliers, agents or employees on Contractor's premises or a job site, or from the use of any goods purchased hereunder, whether or not caused in part by the active or passive negligence or other fault of Indemnitees, excepting only injury or damage to property caused by the sole negligence of Indemnitees. Subcontractor also agrees to defend, indemnify and hold Indemnitees harmless from all Claims based upon any actual or alleged unfair competition or infringement of any patent, trademark or copyright relating to goods purchased.
12. If Subcontractor is providing labor or services, payment shall be made at such intervals as may be agreed between Contractor and Subcontractor; provided, however, that ten percent (10%) of the amount of any progress payment shall be retained by Contractor and shall be paid to Subcontractor when the Work is complete and accepted by Owner and Contractor, and Owner has accepted the project and paid Contractor any retention held by Owner. Notwithstanding any provision to the contrary, Subcontractor agrees that payment to Contractor by the party with whom Contractor contracts is a condition precedent to Contractor's obligation to pay Subcontractor.
13. Contractor may, by change order issued to Subcontractor: (a) increase or decrease the Work; (b) change drawings, plans, specifications or other instructions; (c) issue a suspension of work order; (d) change the schedule. No change shall be valid unless same is in writing and authorized by a change order issued by Contractor. Verbal instructions altering this Order are not permitted and are unauthorized. No claim for extras shall be allowed unless the additional work is performed, or materials furnished, in accordance with a change order signed by Contractor, specifically stating thereon that such work or materials is to be considered an extra. Subcontractor must assert any claim for adjustment in price or schedule within seven (7) days of the first occurrence of said claim. Subcontractor understands that this notice requirement is a condition precedent to any claim. Payment to Contractor for Subcontractor's extras by the party with whom Contractor contracts is a condition precedent to Contractor's obligation to pay Subcontractor.
14. If any proceeding is instituted against Subcontractor, voluntary or involuntary, in bankruptcy or insolvency, or for the appointment of a receiver or trustee, or assignment for the benefit of creditors, or if Subcontractor commits an "Act of Bankruptcy" as defined in the Federal Bankruptcy Act, Contractor may cancel this Order forthwith without liability for lost or anticipated profits.
15. If Subcontractor fails to commence, execute and complete the Work in a prompt and diligent manner, fails to maintain the required insurance or otherwise defaults in performance, Contractor may, by giving three (3) days prior written notice of such default to Subcontractor, terminate Subcontractor, take over any Work, and any of Subcontractor's tools and equipment, and any appliances, materials and supplies ordered in connection with the Work, and complete such Work on behalf of Subcontractor, by whatever method Contractor deems expedient. Contractor may employ another Subcontractor to complete the Work. In such event, no further payment to Subcontractor shall be made until the Work is completed, accepted and paid for by Owner. If the unpaid balance of this Order exceeds the entire cost to complete the Work, such excess shall be paid to Subcontractor. If, however, the cost to complete the Work exceeds the unpaid balance on this Order, Subcontractor shall immediately pay the excess cost to Contractor.
16. If Subcontractor fails to reasonably comply with the Work schedule, Contractor may, without prejudice to any other rights or remedies it may have over Subcontractor to work overtime, add personnel, equipment, supplies and materials. If Subcontractor fails to comply with Contractor's orders, Contractor may, upon three (3) days prior notice to Subcontractor, terminate Subcontractor, or employ reasonable means to expedite the Work, through Contractor's employees or otherwise, and charge the cost thereof to Subcontractor.
17. Contractor may terminate the Work in whole or in part at any time by written notice to Subcontractor. Subcontractor shall thereupon immediately stop work and notify its subcontractors to do likewise. Subcontractor shall not be entitled to claim loss of anticipated profits.
18. Subcontractor shall be bound to Contractor by the terms of the contract ("prime contract") into which Contractor has entered with Owner or General Contractor for the project and all documents incorporated therein, including specifications, drawings, general and special conditions ("conditions"), but excluding all payment terms. Subcontractor assumes toward Contractor as to Subcontractor's Work all of the obligations and responsibilities that Contractor assumes under the prime contract. The prime contract, excluding pricing and payment terms, is incorporated into this Order and is available at Contractor's office for inspection at a reasonable time.
19. If Subcontractor is providing labor or services, Subcontractor shall provide insurance as required by the prime contract for this Order, whichever is greater: commercial general liability insurance with contractual coverage with limits of \$1,000,000 per occurrence, \$2,000,000 general aggregate; \$2,000,000 products/completed operations aggregate; and Workers Compensation Insurance as required by the laws of the state where Work is performed. Each insurance policy shall name Contractor as an additional insured on a primary and non-contributory basis.
20. If Subcontractor is providing labor or services, Subcontractor shall: (a) employ only those workers whose work will be acceptable to and in harmony with others at the project site; (b) not employ workers to which Contractor or Owner object; (c) personally supervise the Work, or have a competent superintendent satisfactory to Contractor at all times on site, with authority to act for Subcontractor; (d) take necessary precautions to properly protect its Work and the work of other trades; (e) keep the buildings and premises clean of debris arising out of the Work, and if Subcontractor fails to do so, Contractor may, at its option, do so at Subcontractor's expense; (f) cooperate with contractors whose work might interfere with Subcontractor's Work; (g) cooperate with Contractor in scheduling the Work so as not to interfere with work of others. Subcontractor agrees that all Work shall be done subject to the final approval of Contractor or Owner.
21. Subcontractor has fully acquainted itself with the site and its surroundings and will familiarize itself with local labor requirements and general working conditions in the area. Subcontractor fully assumes responsibility for completing the work for the compensation and within the time stated in this Order.
22. Subcontractor's remedies for an alleged breach by Contractor shall be provided by law. In no event shall Subcontractor be entitled to recover any incidental or consequential damages.
23. Payment for Work shall be subject to set-off or recoupment for any present or future claim which Contractor may have against Subcontractor. Contractor may withhold payment for defective work or any other breach of this Order.
24. These terms and conditions are intended by Contractor and Subcontractor as a final expression and complete and exclusive statement of the terms and conditions of their agreement. This Order may not be modified, rescinded, or cancelled except by writing signed by Contractor, and cancellation or rescission shall be upon terms and conditions indemnifying Contractor against all losses caused thereby.
25. No waiver or discharge of any claim or right of Contractor arising out of Subcontractor's breach of this Order shall be effective unless in writing signed by Contractor and supported by consideration. Contractor's waiver of any breach by Subcontractor shall be a waiver of that breach only and not any other breach whether prior or subsequent thereto.
26. Subcontractor shall not assign or delegate any right, interest or obligation in this Order without Contractor's written permission.
27. Subcontractor warrants its Work shall be manufactured, delivered or performed in compliance with all applicable federal, state and local laws and regulations, and Subcontractor agrees to furnish, upon request, certification of such compliance. Subcontractor shall comply with the provisions of the Occupational Safety & Health Act of 1970 and the standards and regulations issued thereunder, or any other federal, state or local law or regulation of the same or similar nature. Subcontractor agrees to defend, indemnify and hold harmless Contractor for all damages, losses, costs or expenses that Contractor may incur as a result of Subcontractor's failure to comply with this provision and for the failure of the goods furnished under this Order to so comply.
28. This contract shall be deemed to be made in Kent County, Michigan, and any action arising out of it shall be governed by Michigan law. Any action arising out of this contract shall be brought in the District or Circuit Court for Kent County, or in the U.S. District Court for the Western District of Michigan. Subcontractor consents that such courts shall have personal jurisdiction over Subcontractor as to any such action and that the mailing of any process to Subcontractor's last known address by registered mail shall constitute lawful and valid service of process.