Systems, Inc. and subsidiaries ("PURCHASER")
PURCHASE ORDER TERMS AND CONDITIONS

1. **GENERAL** The transaction described in this Purchase Order, together with any riders, drawings, specifications, schedules or other writings attached hereto is an offer to the vendor ("Vendor") identified on the form attached hereto (the "Purchase Order Form") to enter into the purchase agreement described. Any and all additional or different terms incorporated or suggested by Vendor, or set forth in Vendor's acknowledgement or other correspondence, are hereby rejected and shall be wholly void and shall not apply to this purchase transaction. The offer of Purchaser to Vendor for the purchase of the products, materials, or other goods ("Products") and/or services ("Services") and any related supporting documentation, information or supporting manuals, instructions, documents, or other information and materials accompanying or included with such Products and/or Services ("**Ancillary Materials**") described on the front page of the Purchase Order are made subject to these terms and conditions. This Purchase Order constitutes a final expression of the agreement with respect to the subject matter herein and supersedes all other agreements, arrangements, representations and communications (including "Vendors Forms") between Vendor and Purchaser. This Purchase Order and its acceptance shall be governed by the laws of the State of Nebraska and the federal laws of the United States applicable therein.
2. **ACKNOWLEDGMENT** This Purchase Order shall constitute a valid and binding contract between Purchaser and Vendor upon receipt by Purchaser of Vendor's written or verbal acknowledgement of the Purchase Order and its terms. Vendor's filling of this Purchase Order or acceptance of any payment in relation thereto shall be deemed an acknowledgement of the Purchase Order and acceptance of its terms and conditions. Modifications proposed by Vendor are not part of this Purchase Order unless Purchaser expressly agrees to same in writing.
3. **PRICE AND PAYMENT** The Price(s) set forth on the front of the Purchase Order Form is (are) firm. Before proceeding to manufacture or ship any Products or perform any work involving claims by Vendor for extra compensation. Vendor shall submit to Purchaser a detailed statement of such claim. If Purchaser is willing to pay such additional amounts. Purchaser will issue written instructions to that effect. In the absence of such assent to extras, claims for compensation of amounts specified herein may be rejected.
4. **SHIPMENT AND DELIVERIES** Unless otherwise agreed to in writing, all shipments and deliveries shall be F.O.B. destination with shipping charges prepaid by Vendor. Goods covered by the Purchase Order shall remain the property of Vendor until delivered to the specified destination and accepted by the Purchaser. Vendor shall pack and ship the Products in accordance with the requests of Purchaser and any carrier transporting the same. Vendor shall be responsible for any loss, damage or injury which results from or occurs during shipment of Products by Vendor.
5. **TIME IS OF THE ESSENCE OF THIS PURCHASE ORDER** If delivery or performance is not made at the set forth herein, Purchaser reserves the right to cancel or purchase elsewhere and hold Vendor accountable therefore.
6. **TERMINATION AT OPTION OF PURCHASER**
7. Purchase may terminate the Purchase Order, in whole or in part, at any time, by written notice of termination to Vendor.
   (a) Upon receipt of the notice of termination, Vendor shall, unless otherwise directed by Purchaser, (1) terminate promptly all work under this Purchase Order; (2) transfer title and deliver to Purchaser of the finished work, the work in progress and the parts and materials which Vendor produced or acquired in accordance with the Purchase Order and which Vendor cannot use in producing goods for itself or for others; (3) settle all claims by subcontractors or suppliers for actual costs that are rendered unrecoverable by such termination; and (4) take actions reasonably necessary to protect property in Vendor's possession in which Purchaser has an interest.
   (b) Upon termination by Purchaser under this section, Purchaser's obligation to Vendor shall be (1) the Purchase Order price for all finished Products and completed Services which conform to the requirements of the Purchase Order; (2) Vendor's actual cost of the work in process and parts and material transferred to Purchaser in accordance and with subsection (b)(2) hereof; (3) Vendor's actual costs of settling the claims by subcontractors or suppliers of subsection (b)(3) hereof; and (4) Vendor's absence of termination. Under no circumstances shall Purchaser be liable to Vendor for any other costs, including for indirect, consequential or punitive damages or lost profits of Vendor or Vendor's subcontractors or suppliers. Purchaser's obligation to pay Vendor pursuant to this section shall be subject to Vendor providing Purchaser with reasonable evidence of any such costs.
   (c) Vendor shall furnish to Purchaser, no later than one month after the date of termination, Vendor's termination claim, which shall consist exclusively of the items of Purchaser's obligations to Vendor that are listed in subsection (c) hereof. Purchaser may audit Vendor's records before subsequent to payment, to verify amounts required in Vendor's termination claim.
   (d) If Purchaser terminates the Purchase Order for reason of Vendor's default, Purchaser shall not be required to pay Vendor the costs described in subsections 7(c)(2) and 7(c)(3).
8. **WARRANTY** Vendor expressly warrants that all Products covered by this Purchase Order shall produce capacities and/or conform strictly to the specifications drawings, samples, or other description herein set forth and /or as published or warranted by the manufacturers for the Products, and will be merchantable, of good quality, material and workmanship, fit and sufficient for the purposes intended, and free from defects, latent or patent. Vendor further warrants that all Services shall be performed in accordance with the highest professional standards. Vendor shall take all steps necessary to correct the defects, deformities or nonconformities, including replacement of the Products or reimbursement of the purchase price for the Products or Services. Vendor agrees to replace without charge any defective Products or to correct without charge any deficient Services or remedy any defects not due to ordinary wear and tear or due to improper maintenance which may develop within one year from date of acceptance by Purchaser. All costs associated with such corrective actions shall be borne solely by Vendor. Any disclaimer of warranty, fitness for a particular purpose, merchantability, freedom from defects, or other disclaimer of the terms and conditions of this Purchase Order by Vendor in "Vendors Forms" is rejected and does not form part of the agreement between the Purchaser and Vendor. This warranty shall survive any inspection, delivery, acceptance and payment by Purchaser of the Products or Services. Final inspection shall be at Purchaser's premises unless otherwise agreed in writing. Products rejected as not conforming to this Purchase Order, or otherwise defective or deficient, shall be returned at Vendor's expense, including transportation and handling costs.
9. **DRAWINGS AND DATA** Vendor shall furnish in reasonable quantities all drawings, calculations, design specifications and other data requested by Purchaser.
10. **CONFORMANCE TO LEGAL REQUIREMENTS** All Products and Services furnished or provided under this Purchase Order shall conform to all laws, regulations, codes or other requirements of any and all, governmental authorities or regulatory agencies having jurisdiction. Costs of remedying noncompliance with such requirements and any liability arising therefrom shall be borne by Vendor.
11. **SETOFFS AND COUNTERCLAIMS** All claims for moneys due or to become due from Purchaser shall be subjected to deduction by Purchaser for any setoff or counterclaim arising out of this or any other Purchaser's purchase order with Vendor, whether such setoff or counterclaim arose before or after any such moneys becoming due.
12. **INDEMNIFCATION** Vendor shall defend, indemnify and hold harmless the Purchaser, Purchasers subsidiaries, agents, officers, successors and employees from and against all claims, damages, losses and expenses, including attorneys' fees, arising out of or resulting from the performance of this purchase order, provided that any such claim, damage, loss or expense is caused in whole or in part by any negligent act or omission of the Vendor, anyone directly or indirectly employed by the Vendor, or anyone whose acts the Vendor may be liable, including but not limited to any such claim, damage, loss or expense that:
    (1) Is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible and intangible property, including loss of use there from; or
    (2) Is alleged to have arisen out of any breach of Vendor.
    This indemnification agreement shall not be limited in way by any limitations on the amount or type of damages, compensation or benefits payable by or for the Vendor under workers' compensation acts, disability benefit acts, or other employee benefit acts, and Vendor expressly waives the benefits of any liability cap recognized by any local, state or federal laws. Any limitations of liability by Vendor in "Vendor Forms" and any additional term in "Vendor Forms" or any other document not expressly accepted by Purchaser in writing is rejected and does not form a part of the agreement between Purchaser and Vendor.
13. **PROPRIETARY RIGHTS**
    (a) Vendor shall handle and be responsible for every claim of infringement of any present or future patent, trademark, copyright, industrial design right, or other proprietary right that results from the sale or use of the Products and performance of the Services hereof ("Proprietary Rights") (1) alone, (2) in combination by reason of their content, design or structure, or (3) in combination in accordance with Vendor's recommendation, or at Purchaser's option provide all reasonable assistance to Purchaser in Purchaser's handling of such claims. Vendor's obligations shall apply even though Purchaser furnishes all or any portion of the design and specifies all or any portion of the processing.
    (b) Vendor grants to Purchaser a non-exclusive, royalty-free, irrevocable license to sell the Products of this Purchase Order.
    (c) Vendor will neither assert nor transfer to any other person any right to assert against Purchaser and/or dealers or customers thereof, any Proprietary Right of Vendor that is applicable to any Products or works of authorship furnished to Purchaser in the course of Vendor's work hereunder.
    (d) All information concerning the Products and Services specified herein and manufactured, delivered or provided in accordance with such drawings, plans, specifications, blueprints, equipment designs, and other information (all of which herein is referred to as "Technical Information") disclosed heretofore and hereafter by Vendor to Purchaser in connection with these Products or Services is disclosed on a non-confidential basis.
14. **IMPORTER OF RECORD** If applicable, Purchaser will be the importer of record and shall pay all applicable customs, duties and taxes incurred as a result of this Purchase Order.
15. **NAFTA CERTIFICATE OF ORIGIN** If applicable, Vendor shall provide Purchaser with a duly completed NAFTA Certificate of Origin.