

Terms & Conditions for Purchase Orders

TAM INTERNATIONAL, INC.

v1, September 2016

ACCEPTANCE

- Vendor accepts the following TAM T&C's upon receipt of this P.O.
- If there are discrepancies, Vendor must immediately, and in writing, reject this P.O., at which time TAM Purchasing will either make requested revisions and issue a new P.O., or cancel Vendor order altogether.
- TAM reserves the right to inspect Vendor's facilities before or during the fulfillment of this P.O.
- Vendor Items that are either rejected or provided to TAM in quantities that exceed the specifications will be returned at Vendor's expense.

PAYMENT

- P.O. numbers are required prior to delivery; only the Purchasing Department is authorized to issue purchase orders.
- Vendor's invoices and monthly statements must reference this P.O. number.
- TAM will pay Vendor according to negotiated terms of payment as presented on the P.O.

DELIVERY

- Vendor must fulfill delivery requirements unless a delay in delivery or acceptance is due to factors beyond Vendor's or TAM's control – referred to as a generally accepted Force Majeure event that includes, but is not limited to, government action/inaction, terrorist act, strike/labor issue, fire, and severe weather conditions.
- Freight terms and rates must be agreed upon in advance; should a Vendor employ a more expensive shipping method to meet a required delivery date, the increased shipping expense is Vendor's responsibility.

INSPECTION/TESTING

- TAM, at TAM's sole discretion, reserves the right to reject any of Vendor's products, goods, or services (Vendor Items) that it deems non-conforming, defective, unsafe, or in any other way unsuitable for its intended purposes.
- TAM, at TAM's sole discretion, reserves the right to require either replacement/rework of rejected Vendor Item, at no additional charge to TAM, or Vendor to provide a full refund of any amounts paid by TAM for such items.

CHANGES

- TAM reserves the right to make changes in specifications, packaging, and delivery schedules and to adjust any changes in cost accordingly, as long as the changes are in writing and agreed to by both TAM and Vendor.

CANCELLATION

- TAM reserves the right to terminate a Purchase Order, or any part thereof, and to cancel all of or part of the undelivered portion of a Purchase Order, by written, verbal or electronic notice to Vendor, if Vendor (i) fails to deliver the goods or services by the time specified in the Purchase Order; (ii) fails to deliver goods or services that meet the required specifications, or otherwise materially breaches any of the terms of the Purchase Order, including the warranties; (iii) fails to make progress in the work such that Buyer deems itself insecure as to Vendor's performance.

CONFIDENTIALITY

- All information TAM provides to Vendor is confidential.
- Vendor may not advertise or publicize the relationship created by this P.O. without TAM's written consent.

CONSEQUENTIAL DAMAGES

- In no event will either Party be liable to the other under this P.O for indirect, special, incidental, punitive or consequential damages, including, but not limited to, loss of profits, loss of use of assets or loss of product or facilities downtime.

INDEMNIFICATION and INSURANCE

- Vendor shall indemnify and hold harmless TAM International, Inc. and its owned and operated entities, affiliates and subsidiaries, owners, agents, officers, directors, managers, and employees (TAM Group) from and against all claims, damages, losses and expenses, lawsuits, including attorneys' fees, (Claims) arising out of or resulting from fulfillment of this P.O., provided that any such Claims are attributable to (a.) bodily injury, sickness, disease or death of Vendor's employees, Vendor's contractors, of any kind, or Vendor's invitee's (Vendor Group); (b.) injury or destruction of tangible property of Vendor Group; (c.) interruption or loss of business, or imposition of any fine or charge by any governmental authority; that are caused in whole or in part by the negligence, intentional act or omission, or violation of a legal requirement by Vendor.
- Vendor shall also indemnify and hold TAM Group harmless with respect to any Claim brought against TAM Group for alleged patent, trademark, or copyright infringement related to Vendor Items provided under this P.O., and Vendor will defend any Claim and will pay any damages finally awarded against TAM Group as a result of such Claim.
- Vendor will be required to provide evidence of the following insurance coverage, as is applicable to the nature of Vendor's business with TAM:
 - Commercial General Liability with limits of at least \$1,000,000/\$5,000,000 per occurrence/aggregate.
 - Commercial Property with limits of at least \$1,000,000/\$2,000,000 per occurrence/aggregate.
 - Worker's Compensation with limits of at least \$1,000,000/\$2,000,000 per occurrence/aggregate.
 - Commercial Auto with limits of at least \$1,000,000/\$2,000,000 per occurrence/aggregate.
 - Ocean/Inland Marine/Hazardous Material Transport and with limits of at least \$1,000,000/\$5,000,000 per occurrence/aggregate.
- If applicable, Vendor will also provide TAM and TAM's insurers with a Waiver of Subrogation against any Claims, and name TAM as an Additional Insured on each policy.

VENDOR WARRANTIES

- Vendor warrants that all Vendor Items furnished in fulfillment of this P.O. are suitable, safe, and fit for their intended purpose.
- Vendor will repair, replace, or rework any Vendor Item that is discovered to be defective or otherwise deficient for twelve (12) months after fulfillment of the related P.O. and Vendor's warranty will extend another twelve (12) months on the repaired/replaced/reworked Vendor Item.
- Vendor warranty applies to TAM, its successors, assigns and customers, and users of Vendor Items purchased.
- Vendor must provide Material Safety Data Sheets (MSDS) for products as required by law.
- Vendor will comply with all applicable federal, state, and local laws, rules, regulations, and ordinances and will hold TAM harmless from any liability resulting from Vendor's failure to do so.
- Vendor will provide proof of all required certifications and inspections.