

NATIONAL PREMIUM, INC.
STANDARD TERMS AND CONDITIONS OF PURCHASE

1. **Terms and Conditions.** These terms and conditions ("Terms") constitute the entire agreement and expression of the parties for this purchase order ("Order"). No additional, inconsistent or different terms or conditions stated by Seller in any acceptance or acknowledgment of this Order, shall be binding upon National Premium, Inc. ("National Premium") unless expressly accepted by National Premium in writing, and National Premium hereby objects to any such additional, inconsistent or different term or condition.
2. **Price; Taxes.** Seller's price shall not exceed that specified on the Order. Seller shall render separate invoices for each shipment, and no invoices shall be issued nor payment made prior to delivery and acceptance of the goods subject to this Order. National Premium reserves the right to withhold payment, in whole or in part and without penalty or interest, until the goods have been determined to conform with National Premium's specifications.
3. **Delivery.** Delivery shall not be deemed completed until all goods have been accepted by National Premium, notwithstanding any agreement to pay transportation charges. The risk of loss or damage to the goods shall be upon the Seller until the goods are accepted. Time is of the essence as to delivery of the goods. If Seller for any reason does not comply (or anticipates that it cannot comply) with National Premium's delivery schedule, Seller shall promptly notify National Premium, and National Premium, in addition to any other rights or remedies available at law or in equity, may terminate this Order without liability to Seller for such termination.
4. **Inspection.** All goods shall be subject to inspection, testing and acceptance by National Premium after delivery, notwithstanding any prior payments or inspections. Failure to inspect and accept or reject any goods shall neither relieve the Seller from responsibility for defective or non-conforming goods nor impose liability on National Premium therefor. In addition to any other remedy available, National Premium may reject and return any portion of shipment that may be defective or non-conforming with the National Premium's specifications without invalidating the remainder of the Order. Defective or non-conforming goods may be returned at Seller's risk and expense at the full invoice price, plus transportation charges, if any.
5. **Warranties.** In addition to warranties implied in fact or law, Seller represents and warrants that all goods covered by this Order will be merchantable, free from defects in material and workmanship, fit for National Premium's purposes and will conform to applicable specifications, drawings, samples and descriptions relied upon by National Premium. If any goods are defective or otherwise not in conformity with this Order, Seller shall at National Premium's option (and in addition to all other rights and remedies available to National Premium at law or in equity) either credit National Premium for any such goods or at Seller's own expense, replace, repair or correct any such goods. Such warranties shall run to National Premium, its successors, assigns, customers and shall survive any inspection, delivery, acceptance or payment by National Premium for the goods.
6. **Indemnity.** Seller shall defend, indemnify and hold harmless National Premium, its employees, directors, officers and customers from all liability, loss, damage, cost and expense (including attorneys' fees and disbursements) associated, in whole or in part, directly or indirectly, with (i) any allegation, claim, action, suit or threat thereof for an injury to any persons or damage or destruction of property arising out of the performance or failure of Seller's obligations under this Order or the negligent or willful acts of Seller, its employees, contractors or agents; (ii) Seller's breach of this Order; and (iii) any alleged, actual, direct or contributory claims by third parties for infringement of intellectual property rights arising from National Premium's or its customer's use or sale of the goods.
7. **Limitation of Liability.** NATIONAL PREMIUM SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES INCURRED BY SELLER IN RELATION TO THIS ORDER. NATIONAL PREMIUM'S TOTAL LIABILITY TO SELLER SHALL NOT EXCEED THE PURCHASE PRICE PAID BY NATIONAL PREMIUM UNDER THIS ORDER FOR THE SPECIFIC GOODS FROM WHICH ANY CLAIM OR DAMAGES HEREUNDER MAY ARISE.
8. **Changes.** National Premium may at any time by written notice make changes in drawings, specifications, descriptions, shipping instructions, quantities and/or delivery schedules. Should any such change increase or decrease the cost of or the time required for performance of this Order, Seller shall immediately notify National Premium and an equitable adjustment will be negotiated by the parties in good faith and with commercially reasonable terms evidenced by a written amendment to this Order. No changes or additional changes made by Seller will be valid unless authorized in writing by National Premium.
9. **Intellectual Property.** If the manufacture, purchase, sale or use of the goods or any component part thereof is enjoined or allegedly infringes upon a third party's intellectual property rights, Seller shall, at its own expense and at National Premium's option: (i) procure for National Premium and its customers the right to continue the use of such goods; (ii) with the approval of National Premium, modify such goods so that they become non-infringing; or (iii) remove such goods and refund the purchase price, transportation, installation and all other associated costs to National Premium. National Premium shall also be entitled to pursue such other rights and remedies as may be available at law or in equity.
10. **Non-Assignment & Subcontracting.** No assignment of this Order or these Terms, or any monies due or to become due hereunder, shall be binding upon National Premium unless consented to in writing by an authorized representative of National Premium, which consent may be withheld in its sole discretion.
11. **Bankruptcy.** If (i) Seller ceases to conduct its operations in the normal course of business, (ii) Seller becomes insolvent or if a proceeding under bankruptcy or other insolvency laws is brought by or against Seller, (iii) a receiver for Seller is appointed or applied for or (iv) an assignment for the benefit of creditors is made by Seller, then under any of the foregoing circumstances National Premium may terminate or cancel this Order without liability except for deliveries previously made or for goods covered by this Order then completed, delivered and accepted in accordance with the terms of this Order.
12. **Compliance with the Law; Applicable Law.** Seller shall comply with all applicable state, federal and local laws, orders, rules and regulations. This Order and these Terms shall be governed and construed in all respects by the internal laws of the State of Wisconsin, with all disputes to be venued in Waukesha County, Wisconsin, provided that any disputes under federal jurisdiction shall be adjudicated in the Eastern District of Wisconsin. If National Premium is required to enforce these Terms, Seller shall be liable for any and all attorneys' fees and disbursements incurred by National Premium.
13. **Reorder or Additional Business.** These Terms shall be binding upon Seller for all reorders of the goods or for any similar goods in the case of any other transaction(s) with National Premium.

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