



YALE
CORDAGE

Purchasing Terms and Conditions

1. Standard Terms and Condition. Unless otherwise expressly agreed to in writing by Yale Cordage, Inc., (YCI) and the Vendor, these Standard Terms and Conditions (the "Standard Terms and Conditions") shall apply to the exclusion of any additional or different terms and conditions stipulated or referred to by the Vendor in its pre-contract negotiations, authorization or purchase order or as otherwise implied by law, trade, custom, practice or course of dealing.
2. Representations. YCI may authorize the Vendor to proceed with work either by issuance of a purchase order or other communication. Any contract made between YCI and the Vendor shall be subject to these Standard Terms and Conditions and, except as expressly set forth herein or as may be set forth in a written Vendor Agreement, no representative or agent of YCI has authority to agree upon any terms or make any representations which are in addition to or inconsistent with these Standard Terms and Conditions or to enter any contract except on the basis of them. Any term, condition, representation or statement in addition to or inconsistent with these Standard Terms and Condition will not bind YCI unless the addition or modification is in writing and signed by a duly authorized representative of YCI. In the event YCI and Vendor enter into a written and executed Vendor Agreement and any term or condition herein conflicts with a term or condition specifically set forth in the Vender Agreement, the term and/or condition in the Vendor Agreement shall control.
3. Incorporation of YCI's Terms. If a Vendor has not given a written acknowledgement of YCI's order, these Standard Terms and Conditions will nonetheless apply to the contract provided that the Vendor has had prior notice of them.
4. Independent Contractor Status. Both YCI and Vendor intend and specifically agree that these Standard Terms and Conditions do not create any partnership, joint venture, or customer relationship between them. Notwithstanding anything herein to the contrary, each party hereto shall be and remain an independent contractor and nothing herein shall be deemed to constitute the parties as partners; neither party will have the authority or hold itself out as having the authority to bind the other.
5. Warranty. The Vendor expressly warrants that all goods or services covered by an order will conform to the specifications, drawings, samples or descriptions furnished to or by YCI. YCI reserves the right at any time to direct changes, or cause the Vendor to make changes or to otherwise change the scope of the work covered by the order, and the Vendor agrees to promptly make such changes; any difference in price or time for performance resulting from such changes shall

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be equitably adjusted by YCI after receipt of documentation in such form and detail as YCI may direct. Goods will be merchantable, of good material and workmanship and free from defects. In addition, the Vendor acknowledges that the Vendor knows of YCI's intended use and expressly warrants that all goods covered by an order which have been selected, designed, manufactured, or assembled by the Vendor, based upon YCI's stated use, will be fit and sufficient for the particular purpose intended by YCI. With respect to services, the Vendor shall be responsible to the generally accepted standards of ordinary and reasonable skill and care usually exercised by similar suppliers at the time and location such services are rendered. Any disclaimer of warranty contained in Vendor's purchase orders, invoices or otherwise are waived and of no force or effect.

6. **Quotations and Prices.** Any order submitted to the Vendor by YCI within the terms of the quoted agreement shall be eligible for acceptance by the Vendor provided that the order corresponds in all respects with the Vendor's quotation. The quotation shall be incorporated herein by reference and be part of the contract of sale. In the event that an order does not state price or delivery, YCI shall not be bound to any prices or delivery to which it has not specifically agreed in writing. Unless an order specifies otherwise, the Vendor is liable for and shall pay all taxes, impositions, changes and exactions imposed on or measured by an order except for applicable sales and use taxes that are separately stated on the Vendor's invoice. Prices shall not include any taxes, impositions, charges or exactions for which YCI has furnished a valid exemption certificate or other evidence of exemption.
7. **Shipping Instructions.** The Vendor shall be responsible for ensuring the proper packaging of goods. All goods shall be shipped via the shipping instruction on the purchase order and may include any federal, state, and safety documentation were applicable. No charges will be allowed for packing, crafting, freight and any other services unless so specified in the order. The Vendor shall at all times comply with YCI's written shipping instructions. Unless otherwise directed, all items shipped on the same day from and to a single location must be consolidated on one bill of lading or air bill, as appropriate. The Vendor shall submit all required shipping papers to YCI prior to final payment. Purchase order numbers shall appear on all correspondence, shipping labels, and shipping documents wherever possible.
8. **Time for Performance.** Time is of the essence and failure to deliver goods or services in accordance with an order, if unexcused, shall be considered a material breach of any contract between the Vendor and YCI. The Vendor shall notify YCI in writing immediately of any actual or potential delay to performance. No acts of YCI, including, without limitation, modifications of an order or acceptance of late deliveries, shall constitute a waiver of this provision. YCI also reserves the right to refuse or return at the Vendor's risk and expense shipments

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- made in excess of YCI's orders or in advance of required schedules or to defer payment on advance deliveries until scheduled delivery dates.
9. Termination for Convenience. YCI may, by notice in writing, terminate an order or work under an order for convenience and without cause, in whole or in part, at any time, and such termination shall not constitute default. In the event of partial termination, the Vendor is not excused from performance of the non-terminated balance of work under the order.
 10. Termination for Default. YCI may, by notice in writing, terminate an order in whole or part at any time: in the event of Vendor's breach of any one or more of these Standard Terms and Conditions; in the event of Vendor's breach of a Vendor Agreement, if any; in the event Vendor fails to make progress so as to endanger performance; in the event Vendor fails to provide adequate assurance of future performance. In the event of partial termination, the Vendor is not excused from performance of the non-terminated balance of work under the order. In the event of the Vendor's default, YCI may exercise any or all rights accruing to it, both at law or in equity.
 11. Ownership Rights. All of the Vendor's specifications, information, data, drawings, software and other items supplied to YCI by the Vendor shall be disclosed to YCI on a nonproprietary basis and may be used and disclosed by the YCI without restriction, unless YCI has executed a separate agreement restricting the use and disclosure of such information, data, software and the like. All of YCI's specifications, information, data, drawings, software and the other items that are supplied by YCI to the Vendor or are obtained or developed by the Vendor in the performance of an order or paid for by YCI shall be proprietary to YCI and shall be used only for purposes of providing goods or the performance of an order paid for by YCI.
 12. Infringement. The Vendor warrants that all work, materials, services, equipment, parts and other items provided by the Vendor pursuant to an order, which are not of YCI's design, shall be free from claims of infringement (including misappropriation) of third party intellectual property rights and that any use or sale of such items by the YCI or any of YCI's customers shall be free from any claims of infringement. The Vendor may replace or modify infringing items with comparable items acceptable to YCI of substantially the same form, fit and function so as to remove the source of infringement. If the use or sale of any of the above items is enjoined as a result of claims, suits, or actions alleging infringement, the Vendor, at no expense to YCI, shall obtain for YCI and its customers the right to use and sell said items.
 13. Compliance with Law. The Vendor warrants that the materials to be furnished and/or the services to be rendered under an order shall be manufactured, sold, used and rendered in compliance with all relevant federal, state, local law, orders, rules, ordinances, and regulations. Any good shipped to YCI will be produced in compliance with the Fair Labor Standards Act of 1938 as amended.

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14. Responsibility and Insurance. The Vendor shall be responsible for the actions and failure to act of all parties retained by, through, or under the Vendor in connection with performance of an order. The Vendor shall maintain and cause its subcontractors to maintain such General Liability, Property Damage, Employer's Liability, Workers' Compensation, Professional Errors and Omissions and Motor Vehicle Liability (Personal Injury and Property Damage) Insurance in such amounts as will protect the Vendor (and its subcontractors) and YCI from said risks. The Vendor shall provide the YCI with certificates evidencing required insurance upon YCI's request.
15. Indemnification. The Vendor shall defend, indemnify and hold YCI, its employees, officers, owners, directors, agents and assigns, harmless against all claims relating to, arising out of or in any way connected with the Vendor's provision of goods or services or compliance with applicable laws and regulations. This indemnity provision is intended to meet the Express Negligence doctrine and extends to all claims and causes of action against YCI including claims for YCI's own negligence. In addition, the Vendor shall reimburse YCI on demand for any payment made by YCI with respect to any claim, including, without limitation, actual attorney's fees, litigation expenses and all other expenses of YCI.
16. Conciliation. In the event of any dispute regarding this Agreement, prior to instituting a lawsuit and as a condition precedent to the filing of a lawsuit, Vendor agrees to mediate the dispute in the state of Maine. The cost of mediation shall be borne equally by the parties
17. Continuing Obligations. The Vendor agrees that paragraphs 11, 12, 15, and 17 shall remain in full force and effect beyond the termination or expiration of any contract made between YCI and the Vendor, and shall be binding on the Vendor's assigns, executors, administrators, and other legal representatives.
18. Entirety of Agreement, Applicable Law and Assignability. These terms and conditions, together with the terms of any Vendor Agreement executed by the parties, shall constitute the entire understanding between YCI and Vendor relating to the goods or services provided by Vendor. The parties agree that these Standard Terms and Conditions and any Vendor Agreement between YCI and Vendor shall be interpreted and construed in accordance with the laws of the State of Maine without reference to any conflict of law provisions. Each party consents to the jurisdiction of the Courts of the State of Maine sitting in York or Cumberland Counties and waives the defense of an inconvenient forum. If any provision of these General Terms and Conditions is held to be invalid or unenforceable, these Standard Terms and Conditions shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity or enforceability of the remainder of the provisions or the remaining provisions of any Vendor Agreement between YCI and Vendor. A failure of either party to enforce or strictly observe any provision of these Standard Terms and Conditions

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on one or more instances will not operate as a waiver of the provision as to the future. The Vendor shall not assign its rights or obligations under these Standard Terms and Conditions or any Vendor Agreement between YCI and Vendor without the written authorization of YCI.

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