



Allis Roller LLC
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Supplier Purchase Orders - Terms & Conditions

These Terms and Conditions set forth the arrangement under which the Supplier shall supply to Allis Roller, LLC ("Allis") raw materials, parts, components, and/or services (hereinafter collectively referred to as "Products") pursuant to the accompanying or applicable Purchase Order, and are incorporated into and made a part of such Purchase Order. Allis shall have the right to revise or amend these Terms and Conditions at any time, and from time to time, upon notice to Supplier.

1. Acceptance of this Purchase Order is conditional on Supplier's acceptance of these Terms and Conditions, which are final. Each shipment made by the Supplier shall be deemed to be only upon these Terms and Conditions, notwithstanding any additional or different terms and conditions that may be contained in any acknowledgement, confirmation, invoice, or other form of the Supplier, all of which are expressly rejected, and notwithstanding Allis's act of accepting or paying for any shipment or similar act. The Purchase Order and these Terms and Conditions cannot be modified, altered, or rescinded, except in writing and signed by both parties. Supplier may not subcontract, delegate, or assign the Purchase Order or any of its rights or obligations thereunder, without the prior written consent of Allis. Any assignment, subcontract, or delegation without Allis' prior written consent will be null and void.
2. Upon receipt of the Purchase Order, Supplier will acknowledge acceptance electronically or in writing, giving a definite shipping date. Timely delivery of the Products by Supplier and Supplier's performance is of the essence. If after acknowledgement of the Purchase Order the Supplier finds that the Products cannot be delivered within the term specified in the Purchase Order, the Supplier will promptly notify Allis and advise Allis of the revised delivery date. Allis shall have the option of terminating the Purchase Order without obligation for payment or of accepting the revised delivery date. If acknowledgement is not given to Allis within a reasonable time, the Purchase Order or any part hereof may, at Allis's option, be canceled. Regardless, a contract exists on the earlier of the signed acknowledgement by Supplier, commencement of performance, or shipment according to schedule of all or any portion of the Products covered by the Purchase Order.
3. Supplier will mail an invoice with original bill of lading or proof of shipment attached. Supplier will include its cash discount terms on the invoice. When invoices are not mailed on date of invoice or shipment, or a bill of lading or proof of shipment does not accompany the invoice, the discount period will be calculated from the date the invoice is received at Allis's office. Allis will have no obligation to pay invoiced amounts it disputes in good faith until such dispute is resolved. A packing slip is to be included in all shipments by Supplier. Allis's count of the Products will be accepted as final on all shipments not accompanied by a packing slip. Any applicable sales, use, or federal excise taxes will be shown separately on the invoice. Allis will not pay, and Supplier shall be responsible for, any additional taxes, unless otherwise specifically agreed to in writing.
4. The price to be paid by Allis shall be either that stated on this Purchase Order, or the lowest prevailing net price now given to any other customer under similar conditions and in similar quantities. This Purchase Order must not be filled at prices higher than those last quoted or charged unless agreed to by Allis in writing. If no price is specified, the price is to be the price of the last delivery. Unless otherwise stated in the Purchase Order, the prices include all applicable costs, charges, fees, taxes, or duties in connection with Supplier's performance with respect to this Purchase Order.
5. Title, risk of loss, and all other risks connected to the ownership or control of the Products shall pass to Allis upon the earlier of such time as Allis has paid for the Products or the Products are actually delivered to destination specified by Allis and are accepted by Allis. Until such time, all risks with respect to the Products shall remain with Supplier.
6. Supplier will not over ship (other than standard market procedures) without Allis's permission.
7. Allis reserves the right to cancel this Purchase Order or any portion thereof if materials furnished do not strictly conform to its specifications or if an unfilled portion of the Purchase Order has not been shipped strictly in accordance with Allis's shipping instructions.

8. Supplier will deliver the Products and perform strictly in accordance with the quantities and other requirements specified in the Purchase Order. The repetitive use of a Purchase Order number or other blanket Purchase Order issued by Allis is solely for the convenience of the parties, and does not constitute an order for quantities other than those appearing on the Purchase Order. If Allis wishes to place additional quantities on hold or reserve, a separate Purchase Order will be issued to that effect. Allis assumes no liability for fabrication in excess of authorization released unless prior approval has been obtained in writing.
9. Each shipment of Product is subject to inspection by Allis on arrival before payment or acceptance. Products rejected as not conforming to the Purchase Order or applicable specifications, or because of inferior quality or workmanship, may be returned to Supplier with charges for transportation to or from Supplier, and are not to be replaced except on specific instruction from Allis.
10. Supplier warrants that Products shall be free of any claims of infringement of any intellectual property rights, and agrees to indemnify, defend, protect, and hold harmless Allis, Allis' customers, and the users of the Products, from all damage, claims, and demands for actual or alleged infringement of the Products of any third party's intellectual property rights.
11. Supplier warrants that the Products shall be free and clear of any security interests, liens, or encumbrances. Supplier further warrants that the Products will strictly conform to any applicable specifications, drawings, samples or other descriptions, however furnished to Supplier or required by Allis, and that the Products will be of good material and workmanship and free from defects. Supplier also warrants that all Products shall be merchantable and fit for their intended purpose. The warranties provided in these Terms and Conditions shall survive any inspection, delivery, acceptance, or payment by Allis.
12. Supplier agrees to indemnify, defend, protect, and hold harmless Allis, Allis' customers, and the users of the Products from all liability of any kind and nature whatsoever arising from a breach of any warranty provided in these Terms and Conditions, and any and all claims or actions as a result of property damage, bodily injury, or death caused by defects in the Products, which indemnification shall include reasonable attorneys and professional fees and costs, the cost of enforcing any right to indemnification hereunder, and the cost of pursuing any insurance providers,
13. Supplier shall, at its own expense, maintain and carry in full force and effect commercial general liability (including product liability) insurance with limits not less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate with financially sound and reputable insurers on a primary and noncontributory basis with respect to any insurance which may be separately maintained by Allis. Supplier shall, at its own expense, maintain and carry in full force and effect an umbrella coverage policy insurance in excess of its primary commercial general liability with limits not less than \$5,000,000 for each occurrence and \$5,000,000 in the aggregate with financially sound and reputable insurers. If required in the Purchase Order, Supplier, at its own expense, shall also maintain and carry in full force and effect, errors & omissions insurance with limits not less than \$1,000,000 for each claim with financially sound and reputable insurers. Supplier shall provide Allis with a certificate of insurance from Supplier's insurer evidencing such required insurance coverage. The certificate of insurance shall name Allis as an additional insured with respect to the commercial general liability and umbrella policies. Supplier's insurer shall provide Allis with 30 days' advance written notice in the event of a cancellation or a material change in Supplier's insurance policy. Except where prohibited by law, Supplier shall require its insurer to waive all rights of subrogation against Allis' insurers and Allis.
14. All blue prints, drawings, designs, tools, patterns, or special equipment paid for or supplied by Allis shall remain the property of Allis and shall not be copied, exhibited, or used in the manufacture of parts for a third party without the prior written consent of Allis. Supplier shall not have or acquire any title to or interest in any of the foregoing property.
15. Supplier hereby guarantees that all Products will be produced in compliance with all applicable Federal, State and local laws, including the requirements for Fair Labor Standards Act of 1938 as amended.
16. The acceptance of the Purchase Order by Supplier shall constitute a contract made in the State of Wisconsin and shall be governed by the applicable laws thereof as of the date of the Purchase Order without regard to principles of conflicts of laws.
17. As a requirement of the Purchase Order and the Federal OSHA Hazard Communication Standard, Supplier will provide to Allis a Material Safety Data Sheet (MSDS) that meets all the requirements of the OSHA standard for the applicable Products. Supplier also represents to Buyer that every product delivered is labeled in compliance with all applicable laws, rules, and regulations.
18. In addition to any right of setoff provided by law, all amount due Supplier under any Purchase Order or contract with Allis shall be considered net of Supplier's indebtedness or obligation to Allis, and Allis may deduct any amounts due or to become due from Supplier and its subsidiaries and affiliates from any sums due or to become due from Allis.

19. Allis may terminate all or a portion of a Purchase Order without cause and at its convenience. Upon such termination, Allis shall pay to Supplier the following amounts without duplication: (a) the order price for Products that have been completed in accordance with the Purchase Order; and (b) the actual direct costs of and the proportionate profit allocable to goods-in-process, raw material committed and services rendered as of the date of termination, but only to the extent such cost and profits are reasonable in amount and otherwise proper under generally accepted accounting principles, and less, however, the reasonable value of any goods-in-process or materials otherwise used or sold by Supplier with Allis's consent and any undelivered goods or raw materials which are in Supplier's standard stock or which are readily marketable. IN NO EVENT WILL ALLIS BE LIABLE TO SUPPLIER FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, OR FOR LOSS OF PROFITS, REVENUE, OR DATA WHETHER IN AN ACT IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. EACH PARTY WILL, HOWEVER, BE LIABLE FOR PERSONAL INJURY CAUSED BY ITS NEGLIGENCE.
20. If the face of the Purchase Order identifies a government prime contract, the following clauses are hereby incorporated by reference: EEO (Executive Order 11246), 48 CFT 52.222-26; Affirmative Action for Special Disabled and Vietnam Area Veterans (38 USC 4212 (a), 48CFR 52.222-35; Affirmative Action for Handicapped Workers (29 USC 793), 48CFR 52.222-26. Copies of these clauses are available upon request.
21. All drawings, prints, and other documents provided as part of the Purchase Order are Allis's proprietary and confidential property and shall be held in confidence by Supplier and shall be disclosed only to those of its employees or authorized representatives who require access in the performance of their duties to Allis. The identity of Allis's customer, if revealed, and the nature of its business, shall remain confidential. Supplier will exercise reasonable care in the safeguarding of such confidential information. Supplier acknowledges that disclosure of the above information may cause irreparable injury to Allis and agrees that, upon disclosure in violation of these Terms and Conditions, Allis is entitled to injunctive relief and the reimbursement of its reasonable attorneys' fees and costs related to the action.
22. A waiver of a breach of any term will not be construed as a waiver of any succeeding breach of that term or as a waiver of the term itself. No failure or delay by either party shall constitute subsequent waiver of that provision or right, nor shall it be a waiver of any of the other terms and conditions.
23. On termination of a Purchase Order for any reason, all warranty, infringement, confidentiality and liability obligations and limitations and those terms which by their nature are intended to survive, will survive. Termination will not prejudice either party to require performance of any obligation due at the time of termination.
24. Allis and Supplier are contractors independent of one another. Nothing in this Purchase Order is intended to or will constitute either party as an agent, legal representative, or partner of the other for any purpose.
25. Allis and Allis customers reserve the right to verify product at Suppliers premises.

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