1. ACCEPTANCE OF ORDER: Seller (the supplier whose name and address are stated on the reverse side of this document) agrees that the following terms and conditions will control its performance and the performance of Charter Medical, Ltd. ("Charter") under this order unless otherwise agreed to in writing by both parties before execution of this contract, an amendment copy if supplied, and to return said copy promptly to Charter. Should Seller accept the order in any other manner, Charter expressly reserves the right to reject such order and to require electronic exchange of information. Seller shall not make any changes to the terms and conditions set forth in this order unless otherwise agreed to in writing by Charter.

2. CHANGES: Seller reserves the right to make changes at any time in (a) work to be performed or materials to be furnished; (b) drawings, designs or specifications applicable to the work or materials; (c) methods of shipment and packing; and (d) time and place of delivery/performance, including temporary suspension of shipments/performance. If any such change occurs an increase or decrease in the cost of, or time required for, performance of this order, Charter shall be deemed waived unless asserted in writing by Charter within five (5) days after the Seller’s receipt of the written order from Charter affecting the change. Price increases or extensions of time for delivery/performance shall not be binding on Charter unless evidenced by a purchase order change notice issued by Charter.

3. PACKAGING, SHIPPIING AND SHIPMENT: Documents: All specified goods on or off this Purchase Order shall be delivered F.O.B. Charter’s dock at the address set forth on the reverse side of this Purchase Order, shall be delivered without charge for boxing, crating or other storage unless otherwise specified, and shall be suitably packaged to assure against damage from weather and/or transportation. The goods shall be described on loan in accordance with current National Motor Freight Tariff Uniform Freight Classification, whichever is applicable. A packing list, which separately itemizes each item of goods and shows Charter’s order number and symbol, item number and description of goods, and weight shall be shipped and all shipments accompanied by a packing list. Charter’s order number and symbol shall be plainly marked on all invoices, packages, bills of lading, and shipping orders. Delays in receiving invoices, errors or ommissions on invoices or lack of supporting documentation required by the terms of Charter’s order shall be for withholding payment without losing discount privileges. Charter may defect from Seller’s invoice any charges that result from Seller’s failure to provide required documentation.

4. DELIVERIES: Charter’s production schedules are based upon the agreement that the Seller will deliver the goods or provides the services purchased by the date specified on the face of the Purchase Order. Time is of the essence for this Purchase Order. Seller will provide timely delivery of all materials and services specified in this order, and shall affect the ability of Seller to make deliveries or provide services at the specified times in the specified quantities. If delivery is not made or performance is not in accordance with the terms and agreed upon, Charter reserves the right to cancel this Purchase Order. In such event, Charter may purchase elsewhere and hold Seller liable for damages. Delivery of any goods prior to the delivery schedule or delivery of any goods in excess of the specified quantity, without Charter’s prior written approval, shall be at Seller’s risk. Charter shall have the obligation to pay for goods shipped in excess of the specified quantity. Charter shall have no obligation to pay for goods shipped in advance of the delivery schedule specified until the normal maturity date following the date specified for delivery.

5. TRAFFIC ROUTING: The Seller shall be liable for any losses resulting from deviation from Charter’s routing instructions and such losses will be charged to Seller’s account.

6. FORCE MAJEURE: Charter shall not be held responsible for any failure to perform under this Purchase Order if such failure is due to matters outside Charter’s control, including, but not limited to federal, state, or local action, statute, ordinance, regulation, strike, or other labor trouble or other incidents outside Charter’s control which makes acceptance impossible or impractical.

7. INSPECTION AND REJECTION: Payment for the goods or services provided hereunder shall not constitute acceptance. Charter shall have the right to inspect such goods or services and to reject any all of the goods or services which are defective, in Charter’s judgment. Inspection shall be on Charter’s premises and made at Charter’s expense. All materials shall be rejected on a per unit basis and the goods or services shall be billed at the price last quoted to Charter by the prevailing market price, whichever is lower. In the event that the prices in effect at the date of acceptance of this order on items specified in this order are reduced prior to the date of the final delivery or completion of performance, or in the event that Seller shall quote lower prices to other purchasers for the same comparable goods/services and in similar or lesser quantities before the final delivery or completion of this order, Seller agrees to adjust Charter the benefit of the reduction in lower prices on the whole of this contract. In the event that Charter has made any payments to Seller on this contract prior to a reduction in price required by this Section, Seller agrees to credit the amount of the resulting overpayment to the balance due on this contract plus Charter’s account or any such overpayment to Charter In cash, at Seller’s option.

8. PAYMENT: If no payment date is specified in this order, payment shall be net, cash on less than thirty (30) days after completion of delivery of the goods to Charter and the performance of the services requested.

9. ASSIGNMENT/RIGHT OF SETOFF: Seller shall not delegate any duties or assign any rights or claims under this Purchase Order, nor use any subcontractor without prior written consent of Charter, and any such attempted delegation or assignment shall be void. All claims for damages hereunder, including, but not limited to, default, misrepresentation, or breach of warranty, shall be payable to Charter.

10. PRICES: Unless otherwise specified, the price set forth in this order include all applicable federal, state and local taxes and all shipping costs, duties and other charges. If a price is specified in this order, no changes in price may be made by Seller to Charter without the written consent of Charter. Seller shall have the right to refuse to deliver and to refuse services at the prices specified in this order, if the prices or terms thereof are in excess of the prices specified in this order. In such event, Charter’s order number and symbol shall be plainly marked on all invoices, packages, bills of lading, and shipping orders. Delays in receiving invoices, errors or omissions on invoices or lack of supporting documentation required by the terms of Charter’s order shall be for withholding payment without losing discount privileges. Charter may defect from Seller’s invoice any charges that result from Seller’s failure to provide required documentation.

11. QUANTITIES: Seller must equal amounts ordered unless otherwise agreed by Charter.

12. REPLACEMENT PARTS: After completion of order, Seller shall supply replacement parts for standard goods supplied at then current prices for at least five (5) years from date of delivery.

13. WARRANTIES: Seller warrants that all goods delivered and services provided hereunder (a) shall be free from defects in workmanship, material and manufacture for a period of one (1) year from the date of delivery; (b) shall comply with the specifications of the Purchase Order, including any drawings or specifications incorporated herein or samples furnished by Charter; and (c) if of Seller’s design, shall be free from defects in design. Seller further warrants that it has good and marketable title to all items purchased hereunder. Seller shall indemnify Charter for any and all claims, losses, costs, damages and expenses (including counsel fees and increased Workers’ Compensation premiums) and damages (including incidental and consequential damages) which Charter may sustain or become liable for as a result of any breach of this warranty. Charter shall have no obligation to pay any such damages in cash, at Seller’s option.

14. WORK AT CHARTER’S PREMISES: In the event this Purchase Order covers construction work, the installation of machinery or equipment or the performance of services at the premises of Charter, Seller shall defend and save Charter harmless against all claims of employees and agents of Seller for compensation payable under the Workers’ Compensation Act of such state in which the work or services covered by this Purchase Order is to be performed. Seller shall also defend, indemnify, and save Charter harmless from, for and against any and all liability, loss, cost, outlay and expense resulting from any accident or act of omission or commission of any employee or agent of Charter while engaged in the performance of the work or services covered by this Purchase Order.

15. PATENTS: Seller agrees to defend, indemnify and save Charter harmless from and against any and all claims for infringement of any patent, trademark, copyright or industrial design covering any articles purchased hereunder or their use. Charter may actively participate in any suit or proceeding relevant to such matters if it so desires. Charter agrees to indemnify Seller for all losses of whatever nature incurred as a consequence of injunctions against the use, sale or resale of any articles purchased under this Purchase Order. Any such claim of infringement, whether asserted against Charter or Seller and regardless of its validity, shall constitute cause for termination of this order if Charter so elects, and damages to Charter after such termination. In addition to the indemnities granted herein, shall be calculated in the same manner as damages for default.

16. DESIGNS AND DEVELOPMENT OF EQUIPMENT: In the event this Purchase Order covers machinery, equipment, and/or manufacturing apparatus, the development of design or any such apparatus by Seller, or any equipment, apparatus, apparatus, or manufacturing apparatus, by Seller, or any equipment, apparatus, apparatus, shall automatically become the exclusive property of Charter, and Seller shall cooperate with Charter in obtaining all pertinent patents for Charter, and Seller shall do all things necessary to perfect title to such patents in Charter.

17. SUPPLEMENTARY INFORMATION: Any specifications, drawings, notes, instructions, engineering notices, or technical data referred to in this Purchase Order shall be deemed to be incorporated herein by reference as if set forth in this order. In case of any discrepancies or questions, the Seller shall refer to Charter for decision or instructions or for interpretation.

18. NONDISCLOSURE AND CHARTER’S PROPERTY: All drawings, specifications, patterns, information or data furnished by Charter or developed by Charter in connection with this Purchase Order shall be Charter’s exclusive property, shall be used by Seller only for Charter’s work, shall be kept confidential, and shall be returned promptly at Charter’s request. Seller shall disclose to no other person any such drawings, specifications, patterns, information or data to third persons except to the extent that such disclosure is necessary for the performance of Seller’s obligations hereunder, and then only after delivery to Charter of the results thereof or other than to charters employees of the organization to which these plans, specifications or patterns are assigned. If any information, inventions, or developments shall be made by Seller, all such rights, title and interest in such inventions or developments shall vest in Charter, and all right, title and interest in any intellectual property rights in such inventions or developments shall vest in Charter. All rights, title and interest in any and all inventions, devices, or processes hereunder shall vest in Charter and shall be used, reproduced, and distributed solely for Charter’s benefit. Charter’s property shall not be used for the purpose of benefitting any other person, firm or corporation, unless specifically authorized by Charter in writing.

19. TEMPLATION: Charter may, at any time, terminate this order in whole or in part by written notice. If, in this order is terminated for Charter’s convenience and Charter is in full compliance with the conditions of this order, any claim by Seller shall be settled on the basis of reasonable costs incurred to Charter prior to the receipt of the notice. If, however, Seller shall be entitled to any compensation for cost or expenses incurred by Seller in connection with the results of this order, Seller shall be reimbursed for purchase price of Charter’s equipment. All dies, molds, fixtures, tools, and other equipment furnished by Seller to Charter shall be returned by Charter to Seller.

20. ARBITRATION: All controversies arising out of or relating to the contract, or any breach thereof, shall be settled by arbitration proceedings in the city where Charter’s place of business, as shown on the face of this Purchase Order, is located, in accordance with the rules then prevailing of the American Arbitration Association, and judgment upon any award therefrom may be entered in any court having jurisdiction thereof.

21. COMPLIANCE WITH STATUTES AND REGULATIONS: Seller certifies and certifies that in the performance of this Charter’s order it will comply with all applicable statutes, rules, regulations, orders, including all Equal Employment Opportunity statutes and orders, now in effect or hereafter enacted, of the United States of America and of any state or political subdivision of any state, including but not limited to statutes, rules, regulations, and orders pertaining to labor, wages, hours and other conditions of employment, wage and price ceilings, if applicable, and the Fair Labor Standards Act, as amended.

22. CONTRACT: This Purchase Order, when accepted, shall be a contract made in the state shown in Charter’s address on the face of this Purchase Order and governed by the laws of that state.