

TERMS AND CONDITIONS OF PURCHASE INCORPORATED IN ALL PURCHASE ORDERS

The materials, supplies, or services covered by this order shall be furnished subject to the following terms and conditions, which Seller, in accepting this order, agrees to be bound by and to comply with in all particulars and no other terms or conditions shall be binding upon the acceptance of all or any portion of the materials or supplies or the performance of all or any portion of the services covered by this order shall constitute unqualified acceptance of all its terms and conditions.

I. INSPECTION. The materials, supplies, or services furnished shall be exactly as specified in this order, free from all defects in Seller's design, workmanship, and materials and subject to inspection and test by ASI at all times and places. If any materials, supplies or services are found to be defective or not as specified, ASI may reject them, require Seller to correct them without charge or require delivery of such materials, supplies or services at a reduction in price which is equitable under the circumstances. If Seller is unable or refuses to correct such items within a time deemed reasonable by ASI, Associated Student, Inc may terminate the order in whole or in part. Seller shall bear all risks as to rejected material, supplies and services and shall reimburse ASI for all costs to ASI for unaccepted materials, supplies and services. Notwithstanding final acceptance and payment, Seller shall be liable for latent defects, fraud, or such gross mistakes as to amount to fraud.

II. CHANGES. Associated Students, Inc may make changes in quantities, drawings, specifications, time for performance, place of delivery, and method of shipment or packing of the order by giving notice to Seller and subsequently confirming such changes in writing. If such changes affect the cost of, of the time required for performance of this order, an equitable adjustment in the price or delivery or both shall be made. No change by Seller shall be recognized without written approval of ASI. Any claim of Seller for an adjustment under this Article II must be made in writing thirty (30) days from the date of receipt by Seller of notification of such change unless ASI waives this condition. Nothing in this Article II shall excuse Seller from proceeding with performance of the order as changed hereunder.

III. TERMINATION (A) Associated Students, Inc may, by written notice stating the extent and effective date, terminate this order for convenience on whole or in part, at any time. ASI shall pay Seller as full compensation for performance until such termination: (1) the unit or pro rata order price for the delivered and accepted portion; and (2) a reasonable amount not otherwise recoverable from other sources by Seller as approved by ASI with respect to the undelivered or unaccepted portion of this order; provided compensation hereunder shall in no event exceed the total order price.

(B) Associated Students, Inc may by written notice terminate this order for

Seller's default, in whole or in part at any time, if Seller refuses or fails to comply with the provisions of this order, or so fails to make progress as to endanger performance and does not cure such failure within a reasonable periods of time, or fails to make deliveries of the materials or supplies or perform the services within the time specified or any written extension thereof. In such event, Associated Students, Inc may purchase or otherwise secure materials, supplies or services and, except as otherwise provided herein, Seller shall be liable to ASI for any excess costs occasions ASI thereby. If, after notice of termination for default, ASI determines the failure to perform this order due to causes beyond the control and without the fault of negligence of Seller (including but not restricted to, acts of God or of the public enemy, acts of ASI, acts of Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, and delays of a subcontractor or supplier due to such causes and without the fault or negligence of the subcontractor of supplier) termination shall be deemed for the convenience of ASI unless ASI shall determine that the materials, supplies or services by this order were obtainable from other sources in sufficient time to meet the required delivery schedule.

(C) Is Seller is delayed in the work in the opinion of ASI due to causes beyond the control and without the fault of negligence of the Seller, ASI may extend the time for completion of the work called for by this order, when promptly applied for in writing by Seller, and is such delay is due to failure of ASI to perform shall, however, be limited to any money actually and necessarily expended in the work during the period of the delay, solely by reason of the delay. No allowance will be made for anticipated profits, overhead or indirect costs. The rights and remedies of Associated Students, Inc provided in this Article II shall not be exclusive and are in addition to any other rights and remedies provided by law or under this order.

IV. TITLE. Title to the materials and supplies purchased hereunder shall pass directly from Seller to Associated Students, Inc at the F.O.B. point shown, subject to the right of Associated Students, Inc to reject upon inspection.

V. PAYMENT, EXTRA CHARGES, DRAFTS. Seller shall be paid, upon submission of acceptable invoices, for materials and supplies delivered and accepted or services rendered and accepted. Associated Students, Inc will not pay cartage, shipping, packaging, or boxing expenses, unless specified in this order. Drafts will not be honored. Invoices must be accompanied by transportation receipt, or facsimile, if transportation is payable and charged as a separate item.

VI. TAXES. Articles sold to Associated Students, Inc are exempt from certain Federal excise taxes. ASI will furnish an exemption certificate upon request. Associated Students, Inc will reimburse Seller for, or pay directly, all California State and local sales and use taxes applicable to the purchase or use of the items by Associated Students, Inc. Unless specified, the prices on this order do not include California State and local sales and use taxes.

VII. SELLER'S LIABILITY. Seller assumes the entire responsibility and liability for losses, expenses, damages, demands and claims in connection with or arising out of any personal injury or alleged personal injury (including death) and /or damage or destruction or alleged damage or destruction to property sustained or alleged to have been sustained in connection with or to have arisen out of the performance of the work by Seller, its agents, employees, subcontractors, and consultant, save and except liability as may result from or be in connection with the willful or negligent act or omission of ASI. Seller shall indemnify and hold harmless ASI, its officers, agents, and employees from any and all liability for such losses, expenses, damages, demands, and claims and shall defend any suit or action brought against any or all of them based on any alleged personal injury or damage and shall pay any damage costs and expenses including attorney's fees, in connection with or resulting from such suit or action.

IX. PATENT INDEMNITY. Seller agrees to indemnify ASI, its officers, agents, servants, and employees against liability of any kind (including costs and expenses incurred) for the use of any invention or discovery and for the infringement of any Letters Patent (not including liability arising pursuant to Section 183 U.S. Code Title 35(`952) prior to issuance of letter Patent) occurring in the performance of this order or arising by reason of the use or disposal by or for the account of ASI of items manufactured or supplied under this order.

X. ASSIGNMENT. This order or any payment due there under is not assignable by Seller without prior written approval of Associated Students, Inc.