



STANDARD PURCHASE ORDER TERMS AND CONDITIONS

The following sets forth Terms and Conditions governing the order of goods and/or services by James Betts Enterprises, Inc. ("JBE" or "Buyer"). All Terms and Conditions are subject to change from time to time in the sole discretion of JBE. It is expressly agreed by you (hereinafter referred to as the "Seller") that (i) Seller's acceptance of any work orders, purchase orders or similar orders for goods and/or services (each a "Purchase Order"); and (ii) any quotation provided by Seller, any Purchase Order issued as a result of such quotation and any sale resulting from such quotation, are expressly conditioned on your Agreement to the Terms and Conditions set forth herein in their entirety and your Agreement that such Terms and Conditions shall constitute the sole Terms and Conditions governing any Purchase Order. The Terms and Conditions set forth herein shall take precedence over any other Terms and Conditions. If any discrepancy, difference or conflict exists between the various provisions of the Purchase Order and these Terms and Conditions, these Terms and Conditions shall govern. JBE hereby rejects all additional, contrary or different Terms or Conditions proposed by Seller in any Order Acknowledgement or otherwise.

1. Changes: JBE may make changes to the Purchase Order at any time, and Seller shall accept such changes. Any changes to the Goods (as defined hereafter) shall be negotiated in advance by both JBE and the Seller and agreed to in writing. If a change causes an increase or decrease in cost and/or time required for performance of the services, an equitable adjustment shall be made and the Purchase Order shall be modified accordingly. If price, terms, shipping date or any other expressed condition of the Purchase Order cannot be achieved or met by Seller, JBE must be notified and must accept in writing any variation prior to shipment or delivery.
2. Prices: Prices or fees for conforming goods, items or services specified in the Purchase Order (hereinafter referred to as the "Goods") shall include any applicable transportation charges, insurance costs, shipping and handling fees and taxes. Seller shall not include sales tax on the Goods pursuant to the terms set forth in Section 13 herein.
3. Payment Terms: Unless otherwise agreed to by JBE and the Seller, JBE agrees to pay all amounts due within thirty (30) days of receipt of Seller's invoice less any deposits paid to Seller (if any) upon Acceptance of the Goods as set forth in Section 6.
4. Delivery of Goods: Seller hereby agrees to on-time delivery based upon the timeline set forth in the Purchase Order. If the Purchase Order does not specify a delivery date (the "Delivery Date") or timeline, Seller shall provide the Goods as if time is of the essence. Changes, modifications or any delay resulting from JBE that prevents Seller from achieving the Delivery Date shall not constitute a breach of this

Purchase Order by Seller. If Seller anticipates a delay in the delivery of the Goods, Seller shall immediately notify JBE. Seller shall deliver all Goods in accordance with the terms of the Purchase Order.

5. Shipping: Seller shall substantially pack, mark and ship all Goods in a manner to secure the lowest, reasonable transportation cost and in accordance with the shipping instructions contained in the Purchase Order and the requirements of common carriers. Seller shall be liable for any difference in shipping charges arising from its failure to follow the shipping instructions contained herein or properly describe the shipment. JBE and Seller agree to assist each other in the prosecution of claims against carriers.
6. Acceptance: JBE hereby retains the right to reject any non-conforming Goods and shall not be obligated to Accept any non-conforming Goods. As a condition precedent to payment for the Goods by JBE to Seller, JBE shall Accept those Goods (in whole or in part thereof) on the Delivery Date or as otherwise set forth in the Purchase Order. For purposes of these Terms and Conditions, "Acceptance" means the point at which JBE accepts or is deemed to accept the Goods in accordance with the terms set forth in the Purchase Order. Acceptance shall include the terms "Accept" and "Accepted". The Goods shall be deemed to have been Accepted (i) in the absence of written notification of non-Acceptance by JBE to Seller within a reasonable period of time, or (ii) upon timely delivery of the Goods identified herein to the shipping address specified on the face of the Purchase Order and the examination and confirmation that the Goods conform to their applicable specifications. Prior to Acceptance, title to the Goods remains with Seller; all risks of damage, injury, or loss thereto, or partial or complete destruction thereof, will be borne and assumed by Seller.
7. Inspection: Payment for the Goods provided under the Purchase Order shall not constitute Acceptance thereof. JBE may inspect and test such Goods and reject any or all items that are, in JBE's sole judgment, non-conforming. Goods rejected or supplies in excess of quantities ordered may be returned to Seller at its expense. Failure by JBE to inspect and/or test the Goods shall not be deemed Acceptance by JBE.
8. Warranty: In addition to Seller's standard warranty relating to the Goods, Seller warrants that the Goods to be delivered pursuant to the Purchase Order (i) are of merchantable quality and free from defects in material or workmanship, (ii) shall conform to all specifications or other descriptions furnished to and approved by the JBE and the Seller, (iii) comply with all applicable international, federal, state and local laws, rules and regulations (including, without limitation, those concerning health, safety, and environmental standards) which bear upon Seller's performance, (iv) shall be new and not refurbished or reconditioned, unless expressly agreed in writing by JBE, and (v) are not restricted in any way by any patents, copyrights, mask work, trademark, trade secrets, or intellectual property, proprietary or contractual rights of any third party. In addition, Seller warrants that JBE shall have good and marketable title to all Goods (including components thereof) purchased pursuant to transactions contemplated under the Purchase Order, free of all liens and encumbrances and other restrictions, and that no licenses are required for JBE to use such Goods. The terms of this Section 8 shall not be waived by reason of Acceptance of the Goods or payment therefore by JBE.

9. Cancellation: JBE may for any reason and at any time, at its option cancel any unshipped Goods. To the extent the Purchase Order covers stock Goods, JBE's only obligation is to pay for Accepted Products prior to such cancellation. To the extent the Purchase Order covers Goods manufactured or fabricated to JBE's specifications, Seller shall immediately cease all performance hereunder upon receipt of notice of cancellation, and, if Seller is not in default, JBE shall reimburse Seller for the actual, direct cost to Seller of such Goods which have, at the time of such cancellation, been wholly or partially manufactured. Upon payment, title to all such Goods shall pass to JBE. Unless JBE shall have otherwise instructed Seller, Seller agrees that it will not manufacture Goods in reserve in an amount greater than the number of manufactured Goods that it has shipped to JBE at any one time.
10. Risk of Loss: Seller assumes all risk of loss of or damage to all Goods ordered and all work in progress, materials, and other items related to the Purchase Order until the same are finally Accepted by JBE. Seller assumes all risk of loss of or damage relating to any Goods, work in progress, materials, and other items rejected by JBE until the same are received by Seller or Accepted by JBE.
11. Indemnification: To the fullest extent permitted by law, Seller shall indemnify, defend, protect, and hold harmless JBE and its affiliates, employees and agents (each an "Indemnitee", and collectively, the "Indemnitees") from and against all claims, losses, liabilities, damages, lawsuits, actions, proceedings, arbitrations, taxes, penalties, or interest, associated auditing and legal expenses, and other costs incurred by Indemnitee(s) (including reasonable attorneys' fees and costs of suit) ("Indemnified Claims") arising from Seller's: (a) performance of its obligations under the Purchase Order, (b) misrepresentation or breach of any representation, warranty, obligation, or covenant of the Purchase Order, or (c) any other negligent or wrongful act or omission of Seller. Such Indemnified Claims shall include, without limitation, all direct, actual, general, special, and consequential damages.
12. Insurance: Seller shall maintain adequate insurance in any and all forms necessary to protect both Seller and JBE against all liabilities, losses, damages, claims, settlements, expenses, and legal fees arising out of or resulting from performance or provisions of the Purchase Order. Although evidence of certain minimum coverage may be required, nothing contained herein shall abridge, diminish or affect Seller's responsibility for the consequences of any accidents, occurrences, damages, losses, and associated costs arising out of or resulting from performance or provisions of the Purchase Order.
13. Taxes: JBE is a Reseller in Washington State (permit number A11 4757 17) and Seller shall not charge JBE for sales tax on the Purchase Order for items subject to resale. Seller can access a copy of JBE's Reseller Permit at JBE's procurement website, www.bettsboats.com/company/procurement.
14. Independent Contractor: Seller, in the performance of its duties hereunder, shall be an independent contractor only, and not an agent, employee, partner, or joint venturer of, or with JBE, and nothing herein shall be deemed to create or imply any relationship other than that of independent contractor. Seller shall have no authority to incur any obligations or expenses on behalf of JBE or to act in any other manner on behalf of JBE or in its name. Seller's employees and contractors shall not be entitled to receive any compensation or employee benefits from JBE.

15. Non-Waiver: Except as otherwise provided in the Purchase Order, any waiver by JBE of a breach of any provision of the Purchase Order must be in writing and shall not be deemed a waiver of any other or subsequent breach. No delay or omission by Harvard in the exercise or enforcement of any right or remedy provided in the Purchase Order or by law shall be construed as a waiver of such right or remedy.
16. Severability: In the event that any provision of the Purchase Order shall be held invalid by any court, the remainder of the Purchase Order shall remain in force unless the invalid provision materially affects the rights of JBE and the Seller.
17. Successors and Assigns; Assignment: The Purchase Order is binding on JBE and Seller and their respective successors, assigns, and legal representatives. Notwithstanding the foregoing, Seller shall not subcontract the work or assign the Purchase Order without the written consent of JBE, and any assignment in violation of this Section 17 shall be void and of no effect.
18. Governing Law: This Agreement shall be governed by the laws of the State of Washington. Any proceeding brought to enforce or interpret the terms of this Agreement shall be brought in the forum of competent jurisdiction within the State of Washington, County of Skagit.
19. Force Majeure: JBE may delay delivery, performance, or Acceptance of the Goods ordered hereunder in the event of causes beyond its reasonable control. Seller shall hold such goods or refrain from furnishing such services at the direction of JBE, and Seller shall deliver the Goods when the cause effecting the delay is eliminated. JBE shall be responsible only for Seller's direct additional costs incurred by holding the goods or delaying performance of the services at JBE's request. Causes beyond JBE's reasonable control shall include, without limitation, government action or failure to act where required, strike or other labor trouble, war, terrorism, civil commotion, failure of communications systems, fire or similar catastrophe, and severe weather or other acts of God.
20. Survival of Terms: The provisions of the Purchase Order which by their explicit terms or their manifest intent are to survive shall survive termination, cancellation or expiration of the Purchase Order.

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