

MORRIS GROUP INTERNATIONAL PURCHASING TERMS & CONDITIONS



ACORNGENCON
PLASTICS



CHRONOMITE
Point of Use Water Heaters

ELMCO
GROUP

MORRIS INDUSTRIES
MEXICO

MORRIS
PROPERTY
MANAGEMENT
COMPANY



This purchase order is limited to the terms and conditions on the front and the reverse side of Order. Buyer hereby objects to any additional or different terms proposed by Seller in any quotation, acknowledgment or other document. Any such terms shall be void and the terms herein or subsequently altered in writing by Morris Group International Divisions shall constitute a complete statement of the terms and conditions of the contract between both parties. This purchase order will be considered accepted by Seller when any act by Seller is made to proceed with complying purchase order. Seller has one (1) week from receipt of purchase order to object to acceptance of purchase order. Objection must be submitted in writing to Buyer before objection will be deemed acceptable.

TERMS OF PAYMENT: The credit terms as stated in this contract will determine the payment by Morris Group International Divisions. Payment period, as stated on the front of the Purchase Order, shall commence on the date of receipt of the Goods and/or Services, or on the date of receipt of invoice, whichever may be later.

PURCHASE ORDER TERMINATION: In the event Seller fails to deliver as and when specified, Buyer reserves the right to cancel this order or any part thereof without prejudice to its other rights, and Seller agrees that Buyer may return part or all of shipment so made. Seller also agrees to accept any loss or expense incurred by Buyer as a result of failure to deliver Goods and/or Services as and when specified. If Seller fails to deliver Goods and/or Services required by this order, or repudiates this agreement, Buyer shall be entitled to damages based on the difference between the market price of the Goods and/or Services at the time Buyer learns of the breach and the contract price, together with any incidental or consequential damages authorized by Section 2-7015 of the Uniform Commercial Code of the State of California, less expenses saved, if any, by Seller's breach. Buyer shall be entitled to all incidental damages resulting from a breach of contract by Seller, including, but not limited to, reasonable expenses incurred in inspection, receipt, transportation and storage of rejected Goods, expenses or commissions incurred should Buyer purchase Goods in substitution for Goods delayed in shipment under contract with Seller. Buyer shall also be entitled to consequential damages for any losses incurred as a result of a breach of contract by Seller in which Seller had reason to know at the time the agreement was executed. Buyer may terminate Order in whole or in part, at any time, for its convenience upon written notice to Seller. Buyer's liability shall not exceed the cost of the existing 'finished goods' inventory. Buyer's liability shall not be greater than that required to fulfill the next delivery schedule within thirty (30) days following date of termination. In no event shall Buyer have any liability for inventories in either category which are not readily useable or resalable. Seller shall submit a claim for termination settlement to Buyer within ten (10) days after the date of written notice of termination or such claim shall be unconditionally waived. In the event of termination for any reason, Buyer may notify Seller that all right, title and interest in and to all of any portion of materials acquired by Seller for the performance of this Order shall pass to Buyer. Buyer shall have the right to enter the premises where such property is located and located and take possession thereof.

PURCHASE ORDER CHANGE NOTIFICATION: Buyer may, at any time, by written change to the Order, suspend performance of the Order in whole or in part, make changes to the drawings, designs, specifications, methods of shipment or packaging; reschedule the time and/or place of delivery of the Goods and/or Services. If such change causes an increase or decrease in the cost of, or time required for performance of this order, an equitable adjustment shall be made in the Order price or delivery dates, or both, and this Order shall be modified in writing accordingly. Seller must assert its right to an adjustment under the clause within ten (10) days from the date of the written change to this Order. Authorization to change the Goods and/or Services provided within this order must be changed by Buyer; no other personnel within the organization has authority to do so. No change to this Order will be binding on Buyer unless issued in writing by The Morris Group International Purchasing Department.

WARRANTY AGAINST INFRINGEMENT: Seller warrants that the Goods purchased and the manufacture, sale or use thereof, do not and will not infringe any third party patent, copyright, trademark, trade secret or proprietary right; Seller will, at its own cost and expense, defend any suit that may arise in respect thereto, provided Seller is notified thereof and that Seller will indemnify and hold harmless the Buyer from all loss, damages, costs and expenses including attorney's fees which may be incurred on account of the assertion of any such rights by any third party.

EXPRESS WARRANTY: Seller warrants for a period of one (1) year from date of use of product that the Goods and/or Services provided within this Order shall be free from defects in workmanship and material, free from defects in design is Seller's responsibility, free from defects in design of others where Seller has acquired the use in their products, suitable for the purposes which are stated in this Order, suitable for use when Seller is aware of intended use of product or services by Buyer, and in strict conformance with the requirements of this Order and all drawings and specifications incorporated therein. The foregoing warranties are in addition to all other warranties, express or implied, and shall survive delivery, inspection, acceptance and payment by Buyer. If the Goods and/or services are not found to meet the warranties or requirements specified herein, Buyer may, at its election, return such Goods and/or Services are not found to meet the warranties or requirements specified herein, Buyer may, at its election, return such Goods and/or Services to Seller at Seller's expense for correction, replacement, re-performance or credit, plus transportation charges. Any Goods and/or Services corrected, replaced or re-performed shall, from date of delivery by Seller, be subject to the provisions of this clause for the same period and to the same extent as the Goods and/or Services initially furnished herein. If the Goods and/or Services delivered under this order are incorporated into any end item to be delivered to Buyer's customer, Seller's obligation under this clause shall be extended to one (1) year after the delivery of the end item to Buyer's customer, Rights granted to Buyer under this clause are in addition to any rights or remedies provided elsewhere in this Order or in the law, and shall not be deemed to be exclusive. All warranties shall run to Buyer and its customers.

SPECIFICATION/PRODUCT APPROVALS: If Goods are delivered that do not fully comply with the provision of this contract and those Goods are rejected by Buyer, Seller shall have no right to cure the delivered Goods by substituting a conforming delivery. Any rights Seller may otherwise have had under the provision of the Uniform Commercial Code or any other applicable law or regulation to cure nonconforming delivery will be negated.

INSPECTION: Buyer must be advised of all shipments, specifying quantity, weight and content, with specific reference to the Purchase Order number. A detailed packing slip must be enclosed in each package. All Goods ordered herein will be subject to inspection and test by Buyer to the extent practicable at all times and places, including the period of manufacture and, in any event, prior to acceptance. Inspection made by Buyer does not constitute final acceptance of Goods. Seller assumes continuing quality and specification compliance responsibility for the part parts indicated on this Order. Buyer requires that each part be provided with its own certification complying with Buyer's issued engineering print. Final acceptance is effective at plant receipt and use. Buyer reserves the right to inspect incoming Goods and notify Seller within thirty (30) days of receipt, should shortages, damages and unapproved overages occur. All overages will be subject to acceptance dependent upon the current requirements of Morris Group International Divisions. If any Goods delivered to not meet the requirements of this Order, Buyer shall have the right to reject such Goods. With respect to any Goods rejected by Buyer, Buyer may, within a one (1) year period, in its sole discretion, hold such Goods for Seller's instructions, at Seller's risk, upon notification to Seller or return of such Goods at Seller's expense. Payment for any Goods shall not be deemed an acceptance thereof. Acceptance of any goods after inspection shall not constitute a waiver of any warranty made by Seller herein or implied by law, nor shall it preclude Buyer from revoking its acceptance thereafter for any latent defects or fraud. Seller shall accept all responsibility of filing freight claims should Goods be received with damages. It is responsibility of Seller to replace the Goods immediately to Buyer in order to avoid breach of contract.

FORCE MAJEURE: If the performance of this agreement by Seller or Buyer is prevented or delayed by acts of civil military authority, war, flood, fire, epidemic or other acts of God, or other foreseeable causes beyond its control not due to its fault or negligence, the party affected shall be excused from such performance during the continuance of any such event to the extent that the party is prevented or delayed thereby; provided, however, that if such delay extends for thirty (30) or more days, the other party may terminate the agreement without liability. If any such delay is caused by the delay of a sub-contractor or Seller and is beyond the control and without the fault of negligence of both Seller and sub-contractor, Seller shall incur no liability for such delay unless the Good and/or Services to be furnished by such sub-contractor were obtainable from other sources in sufficient time to meet the required delivery herein.

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Purchasing Terms & Conditions are subject to change.
Always refer to the latest online document at www.morrisgroup.co/pur