1. Parties: The parties to this Purchase Order (“Order”) are Morse Watchmans Inc. (“Buyer”) and the Vendor identified on the face of the Purchase Order (“Seller”).

2. Purpose: This Order constitutes a binding agreement upon Seller’s acceptance, and Seller’s acceptance is hereby expressly limited to the terms of this Order, which acceptance may be either by acknowledgment or by performance. No term or condition in any acknowledgment or other document of Seller, which is contrary to the terms and conditions of this Order, will be effective to modify or vary the terms of this Order, unless in writing and signed by Seller or if Seller so indicates in its acknowledgment or by performance. No term or condition agreed to in writing by Buyer or by or for the account of Buyer as a result of Seller’s failure to comply with this paragraph. No change will be allowed for carriage or packing unless specifically agreed to in writing by Buyer. When the terms of delivery and service are specified as FCA destination, all transportation charges will be borne by Buyer.

4. Delivery: The time stipulated for delivery on the face of this Order will be of the essence of this Order. Failure by Seller to complete delivery of the goods herein ordered within the time specified, or within a reasonable time if no time is specified herein, will be the option of Buyer, without liability, in addition to Buyer’s other rights or remedies, relieve Buyer of any obligation to accept and to pay for any such goods, and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses attributable to Seller’s failure to deliver the goods on such delivery date. Buyer may, at Buyer’s option, without incurring any liability: (a) extend the time for delivery; or (b) cancel all or any part of this Order.

5. Title and Risk of Loss: Title and risk of loss passes to Buyer pursuant to the Incoterms listed in the Order. If delivery is not made on the terms and conditions agreed upon on the face of the Order, title and risk of loss shall pass from Seller to Buyer on the date of delivery.

6. Original and Duplicates: Seller shall deliver the quantities of the goods specified in this Order. If Seller delivers more or less than the quantity of goods specified, Buyer may reject all goods or any excess goods. Buyer will return any such rejected goods to Seller at Seller’s risk and expense. If Buyer does not reject the excess goods, the excess goods will be deemed to have been accepted by Buyer. No changes in the quantity of goods ordered will be accepted by Buyer. Such changes will be binding upon Seller if made in writing by Buyer, signed by a representative of Buyer.

8. Payment: The prompt payment discount periods applicable hereon will commence on the date Buyer finally accepts the articles or materials at the date Buyer receives an acceptable invoice therefore, whichever is later. If during the 30-day delivery period Seller fails to deliver the goods to Buyer on or before the delivery date, Buyer may cancel the Order or any part thereof.

10. Inspection: All goods to be furnished hereunder are subject to final inspection and testing by Buyer after receipt thereof, and Buyer, in addition to any other rights of Buyer, may reject or revoke acceptance of all or any part of the goods as delivered which fail to conform to all applicable specifications, drawings, or other requirements, including defects in labor, materials, design and fabrication. All goods delivered hereunder will be subject to inspection by Seller’s representatives. The rights of Buyer arising by reason of said inspection or test will extend to original purchase price of such goods. All goods rejected or returned by Buyer shall be held subject to Seller’s instructions, risk and return expense. Upon return of the goods, Seller will promptly refund any payment made by Buyer on account thereof, or at Buyer’s discretion and at no cost to Buyer, Seller will repair or replace the rejected goods. Buyer will not be liable to Seller for any cost or expense incurred by Seller in connection with such return, and Seller shall be responsible for all costs and expenses associated with the return, including, but not limited to, costs of transportation, storage, handling and insurance. Buyer’s right to reject, or to demand repair or replacement of goods, is subject to any limitations or other provisions of law, including, but not limited to, the express terms hereof and the remedy of specific performance or return of money paid therefor, as provided by applicable law.

12. Changes: Buyer reserves the right by notice to Seller to make changes to specifications, drawings, delivery, date, quantity or shipping instructions applicable to any goods and/or services covered by this Order. Any change in the price applicable to the time required for performance of the Order by Seller resulting from such changes specified in such notice to Seller will be equitably adjusted, and this Order will be modified in writing accordingly. No increase in price or time will be made, however, with respect to any such change relating to materials which are Seller’s standard products.

15. Force Majeure: In the event that Buyer or Seller is prevented directly or indirectly from continuing the performance of the amendments or addenda heretofore set forth by reason of any act of God, war, revolution, strike, labor dispute, riot, earthquake, flood or other causes beyond the reasonable control of either party, this Order shall not be affected thereby, and each party shall remain liable for its performance hereof. In the event of such interference, Buyer may, at any time, make such modifications, additions or deletions as may be necessary or advisable in order to continue performance hereunder. Buyer may, at any time, cancel all or any part of this Order or any amendments or addenda heretofore set forth provided prompt notice is given the other party, will be excused from making or taking deliveries to the extent of such interference. In such event the interference extends for a period in excess of 90 days, either party may cancel this Order in whole or in part, without penalty or liability to the other party.

16. Intellectual Property. Seller shall indemnify, defend and save harmless Buyer and its affiliated entities and each of their officers, directors, employees, agents, customers, successors and permitted assigns (collectively, “Indemnified Parties”), against any losses, claims, actions, claims, deficiencies, judgments, suits, damages, costs, expenses, liabilities, losses, fines, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including attorneys’ fees, and the fees of any attorneys representing the Indemnified Parties, and the fees of any attorneys representing the Indemnified Parties in connection with any claim which is or is likely to be made, Seller shall, at its own expense, either: (a) obtain for Buyer the right to continue to use the goods without such infringement, if Seller can do so without incurring any costs, claims, damages, and reasonable costs and expenses attributable to Seller’s failure to comply with this paragraph. No change will be allowed for carriage or packing unless specifically agreed to in writing by Buyer. When the terms of delivery and service are specified as FCA destination, all transportation charges will be borne by Buyer.

17. Indemnification. Seller agrees to indemnify and hold harmless each Indemnified Party against any and all Liabilities based on actual or alleged defects in material workmanship or design of materials or articles furnished by Seller hereunder. Seller will defend at its expense all such claims and suits asserted or brought against any Indemnified Party and shall pay all damages, costs, fines and assessments resulting therefrom; provided however, Seller shall not settle any such claim or suit without Buyer’s prior written consent. Buyer further agrees to indemnify, defend, and save harmless each Indemnified Party against any and all losses, arising out of personal injury or loss or destruction to property attributable in any way to the performance of Seller of its obligations hereunder. Without limiting the foregoing, if Seller’s work hereunder involves operations beyond processes operated by Buyer or Buyer’s customers, Seller shall take all precautions necessary to prevent the occurrence of any personal injury or loss or destruction of property in connection with such operations. Seller shall at all times maintain such liability, property damage, employers’ liability and workers’ compensation insurance and any other insurance with respect to the foregoing, and Seller shall provide Buyer with a certificate of insurance from Seller’s insurance carrier.

18. Assignment. Neither this Order nor any interest herein may be assigned or transferred in whole or in part by Seller by operation of law or otherwise without Buyer’s written consent, and any attempt at assignment or transfer in violation of this section shall be null and void. No assignment, transfer, or delegation by Seller of any term or condition hereof shall be effective unless approved by Buyer.

19. Tooling. All tooling, including dies, molds, patterns, jigs and fixtures, unless otherwise specifically stated, shall be the exclusive property of Buyer and subject to removal for its convenience.

20. Execution: Seller is executing this Order on the face hereof.

21. Taxes: Taxes set forth herein include all applicable taxes, excluding sales tax, and such prices will not be increased for such taxes or any other state, local or federal taxes.

22. Compliance with Law: Seller shall comply with and, and all goods must conform to the requirements of all laws, current codes, ordinances, regulations, etc. of any federal, state or local authority, as the case may be. Seller will voluntarily submit to the jurisdiction of any court of competent jurisdiction in the State of New York to resolve any dispute arising hereunder.

23. Compliance Certificate: Seller agrees to execute and deliver upon request a certificate of compliance with contract terms certifying Seller’s full compliance with each and every requirement imposed on Seller under this Order and by applicable laws, regulations and industry standards.

24. Waiver: Buyer’s failure on any occasion to insist on strict performance of any term or condition hereof will not constitute a waiver of a covenant with such term or condition on any other occasion or waiver of default.

25. Remedies: The rights and remedies provided herein will be cumulative and not exclusive and are in addition to any other rights and remedies that Buyer may be provided by law or in equity.

26. Entire Agreement: This Order and any documents referred to herein contain the entire agreement of the parties hereto with respect to the subject matter hereof, and no terms or conditions in any way modifying the foregoing provisions hereof will be effective unless in writing and signed by Buyer or Buyer’s authorized representative of Buyer. The express terms hereof control and supersede any course of performance and/or usage of the trade inconsistent, different or conflicting with any of the terms hereof. Without limiting the foregoing, Seller agrees that any modifications, additions, or deletions to the terms hereof shall be void if not in writing and signed by Buyer.

27. Severability: If any term, provision or condition hereof is held to be invalid, void or unenforceable, the remaining terms of the Order will remain in full force and effect and will in no way be affected, impaired or declared invalid or unenforceable.

28. Set-Off or Counterclaim: All claims for monies due or to become due from Buyer will be subject to deduction by Buyer for any set-off or counterclaim arising out of this Order or any other contract of purchase or sale between Buyer and Seller.

33. Nonconforming Goods: In the event Seller obtains goods, items or materials which are not in conformity with Buyer’s specifications, drawings, or other requirements of Buyer or Supplier’s warranties hereunder, Seller shall immediately notify Buyer, in writing, identifying the affected goods, together with a description of the nature of the nonconformity. Buyer, in its sole discretion and election, may determine, on a case-by-case basis, that Supplier may use or deliver to Buyer the nonconforming goods; provided, however, that such determination shall not relieve Supplier of any of its obligations hereunder, including any obligation to repair, replace, or rework the nonconforming goods. In no event will Buyer be obligated to accept any goods, products or components as provided in this Order except with respect to the specific portion of the goods which is the subject of Supplier’s written disclosure to Buyer and Buyer’s subsequent written consent to use such goods, products or components.

34. Relationship of the Parties: The relationship between the parties is that of independent contractors. Nothing contained in this Order will be construed as creating any agency, partnership, franchise, business opportunity, joint venture or similar relationship between the parties. Neither party will have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity will be construed from this Order.

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