



LoDolce Machine Co Inc.

TERMS AND CONDITIONS FOR PURCHASE OF GOODS AND SERVICES (Page 1 of 2)

1. **ENTIRE AGREEMENT:** This contract, together with the attachments, exhibits, supplements or other terms of Buyer specifically referenced in this contract, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in this contract and supersedes all prior oral or written representations and agreements. No additional or differing terms in any confirming document will become a part of this agreement, unless specifically agreed to, in writing by an authorized representative of the Buyer. Seller agrees to participate in Buyer's supplier quality and development program(s) and to comply with all quality requirements and procedures specified by the Buyer.
2. **DELIVERY REQUIREMENT:** Time is of the essence LoDolce Machine requires on time delivery. The Buyer's production schedules are dependent upon the delivery schedules made a part of this agreement. Seller's failure to deliver on a timely basis is a default, and will entitle Buyer, at its election, to all proper remedies, including cancellation of this agreement. It is Buyer's policy to recover costs incurred due to delivery deficiencies.
Note: Action plans and alternative support will be given to buyer in writing 2 weeks prior to concern from seller.
3. **PRICING:** All unit prices and quantities reflected on LoDolce Machine Purchase Order are accepted by the supplier unless the responsible LoDolce Machine Buyer indicated on the PO is notified prior to shipment.
4. **PACKAGING:** All supplier packing slips must reference a LoDolce Machine Purchase Order Number.
5. **CONFORMANCE REQUIREMENT:** LoDolce Machine requires 100% Quality material. The buyer's production schedules are dependent upon receipt of quality material. Seller's failure to supply quality goods is a default, and will entitle Buyer, at its election, to all proper remedies, including cancellation of this agreement. It is Buyer's policy to recover costs incurred due to quality deficiencies.
6. **WARRANTIES:** Seller warrants that all material(s) and/or work covered by this Order will (i) conform in all respects to the requirements of this Order (and Seller will provide certification of same to Buyer if requested), (ii) be free from defect of material (s) and/or workmanship, and (iii) be fit and sufficient for the purposes intended.
7. **INSPECTION AND REJECTION:** All materials shall be received by Buyer or Buyer's designee subject to inspection and rejection. Seller acknowledges that Buyer is under no obligation to perform incoming inspections of the goods, and waives any rights to require Buyer to conduct such inspections. Materials not conforming to Buyer's specifications will be held for Seller's instructions, at Seller's risk, and if directed by seller, returned at Seller's expense. When materials are shipped to places other than Buyer's location, Seller's invoices will be paid in accordance with this contract, but in any event, no earlier than acknowledgement of receipt of shipment by the designated recipient.
 - (A) Seller is responsible to notify Buyer Purchasing Department when shipment of nonconforming product is pending and to gain the approval of Buyer for such shipment, including arrangement of all special conditions required by Buyer.

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8. **BUYERS ACCESS TO SELLERS FACILITIES:** Buyer, Buyers Customers, and authorized Regulatory Authorities reserves the right to access the Sellers facilities involved in the order and to all quality records applicable to such orders. This includes the right to inspect item(s) covered under purchase orders issued to Seller.
9. **CHANGE IN PRODUCT AND/OR PROCESS:** Seller shall not make changes to product or to approved processes without first obtaining approval from Buyer.
10. **ASSIGNMENT AND SUBCONTRACTORS:** This agreement may not be assigned by the Seller without the written consent of Buyer. Usage of subcontractors by Seller is subject to Buyer's approval.
 - (A) Where the Seller uses subcontract suppliers, it is the responsibility of the Seller to flow down to such sub-tier suppliers, the applicable requirements in the purchasing documents, including key characteristics, where required, as specified by the Buyer.
11. **APPLICABLE LAW:** This agreement will be construed under laws of the State of New York
12. **CONSTRUCTIVE ACCEPTANCE:** Commencement of shipment of materials described in this Order constitutes acceptance, irrespective of whether Seller confirms its acceptance by a written agreement.
13. **ALTERATIONS:** Changes may be made to the Order by Buyer, from time to time, and equitable adjustments will be made to the price and/or other terms as are proper.
14. **CANCELLATION:** Buyer reserves the right, at any time and without cause, to cancel all or any portion of the undelivered portion of this Order by notice to the Seller. At cancelation of this Order conditions for equitable arrangements will be made in conjunction with both parties. All consideration will be reviewed for raw and finished material at seller's location.
15. **GOVERNMENT REGULATIONS:** In performance of work under this order, Seller agrees to comply with all applicable federal, state or local laws, rules, regulations or ordinances.
 - (A) All materials delivered under this Purchase Order shall satisfy current governmental and safety constraints on restricted toxic and hazardous materials; as well as environmental, electrical and electromagnetic considerations applicable to the country of manufacture and sale.
16. **VISITATION AND AUDIT:** Buyer shall have the right to enter Seller's facility at reasonable times to inspect the facility, goods, material, and any property of the Buyer covered by this agreement.