1. ENTIRE AGREEMENT AND PRECEDENCE

The purchase order issued by KADANT UNAFLEX LLC (“BUYER”) to which these Terms and Conditions are attached, these Terms and Conditions, the technical specifications attached to or incorporated into said purchase order, and all other documents, attached to or incorporated into any of the aforementioned documents, shall collectively, constitute an offer to purchase the Goods described on the face of this purchase order on the terms and conditions stated below, shall collectively, embody the entire Agreement between BUYER and Seller and shall supersede all prior contracts, representations, negotiations, or letters pertaining to the purchased Goods (which term shall include any services requested by this order), whether written or oral. In the event of conflict between the documents that comprise this order, the order of precedence shall be the order in which the documents are listed in this section, beginning with the purchase order.

2. ACCEPTANCE OF ORDER

This order for the Goods shall be accepted by Seller by signing the Acknowledgment Copy of the purchase order and returning to BUYER. Any timely commencement of Seller’s performance hereunder shall also be deemed to be an expression of Seller's acceptance of this order and of these Terms and Conditions. Acceptance is expressly limited to the Terms and Conditions of this offer (these terms). Any term or condition in any form of Seller that has been or, at any time, may be received by BUYER and which is inconsistent with, additional to, or different from these Terms and Conditions is expressly rejected and shall not be applicable to the sale or shipment of Goods. No modification, alteration, or exception made or requested by Seller to the Terms and Condition of this order shall be a part of this order unless agreed to in writing by both parties.

3. WARRANTY

In addition to all warranties which may be provided by law, Seller warrants that the Goods are new and merchantable, conform to the purchase order requirements, will be free of defects in design, workmanship and materials for a period of two (2) years from the date of placing the Goods into service, and will be fit and sufficient for the purposes intended. Seller further warrants that any services provided under this order will be performed in a competent and workmanlike manner and in accordance with the directions provided herein. Seller also warrants that it is conveying good title to BUYER, free of any liens and encumbrances and no person has any rightful claim of infringement or violation of proprietary rights with respect to the Goods. Seller shall take all necessary action, at Seller’s expense, to correct any breach of the foregoing warranties in the most expedient manner as dictated by existing circumstances. If Seller, upon request of BUYER does not expeditiously take steps to correct a breach, BUYER may do so at the Seller’s cost. Provided, however, that such action on BUYER’S part will not relieve Seller of its responsibility nor waive BUYER’S right to damages, included incidental and consequential damages. These warranties, including
warranties provided by law, shall benefit BUYER and its successors, assigns, customers and employees and shall survive acceptance of the Goods.

4. **SHIPMENT AND TITLE**

All Goods shall be packed, marked, and shipped in containers that are suitable for the Goods and are in accordance with the requirements of the carrier or as directed by BUYER. Seller shall comply with the shipping terms specified on the purchase order. Risk of loss or damage to the Goods during shipment shall be with Seller, unless otherwise stated on the purchase order. If the shipping terms specified on the purchase order are FOB place of shipment, BUYER shall have the right to route the shipment, and Seller shall comply with routing instructions. Seller shall reimburse BUYER for any additional costs BUYER may incur by reason of Seller’s failure to follow BUYER’S routing instructions. Title to the Goods shall pass to BUYER at the time and place of delivery unless otherwise stated on the purchase order. Before delivering or arranging for delivery of any Goods which are considered hazardous to personnel or the environment, Seller shall first submit to BUYER a completed Safety Data Sheet, and shall thereafter package and ship all such Goods in compliance with all applicable laws and regulations.

5. **DELAYS**

Time is of the essence of this order. If delivery of the Goods is not made by the scheduled delivery date, if any, provided on the face of this purchase order, BUYER may cancel this order and obtain the Goods elsewhere, or may accept late performance and delivery and, in either case, Seller shall be liable to BUYER for any loss or damage caused by Seller’s failure to make timely performance or delivery including, without limitation, incidental and consequential damages and cost of obtaining replacement goods.

6. **INSPECTION AND REJECTION OF GOODS**

All Goods shall be received by BUYER subject to BUYER’S inspection and right of rejection. Goods shall not be considered accepted until, on inspection, testing or use, they are found to be in accordance with BUYER’S specifications. If any Goods are found at any time to be defective in material or workmanship or otherwise not in conformity with BUYER’S specification, BUYER, in addition to any rights which it may have under warranties or otherwise, shall have the right to reject those Goods in whole or in part. Rejected Goods shall be held at Seller’s risk for a reasonable time after their rejection and shall be returned or disposed of at Seller’s expense according to Seller’s instructions. No Goods returned shall be replaced by Seller without written authorization from BUYER.

7. **TAXES**

Except as otherwise stated on the reverse side, Seller shall have exclusive liability for, and shall pay and hold BUYER harmless from, all taxes levied in connection with this order.
8. INDEMNIFICATION

SELLER SHALL INDEMNIFY, DEFEND AND SAVE HARMLESS BUYER, ITS SUCCESSORS AND ASSIGNS, AND ITS EMPLOYEES, AGENTS, REPRESENTATIVES AND INSURERS AGAINST ALL CLAIMS, SUITS, DEMANDS, ACTIONS, DAMAGES, INJURIES, LIABILITIES, AND EXPENSES (INCLUDING ATTORNEYS’S FEES) ARISING OUT OF OR RESULTING, OR ALLEGED TO HAVE RESULTED IN ANY WAY, FROM NONCONFORMING GOODS, OR FROM ANY DEFECTS IN THE GOODS, OR THEIR SHIPPING CONTAINERS, SUPPLIED UNDER THIS ORDER, FROM SELLER’S FAILURE TO COMPLY WITH ANY FEDERAL OR STATE LAWS, RULES OR REGULATIONS, FROM ANY ACT OR OMISSION OF SELLER, ITS AGENTS, EMPLOYEES OR SUBCONTRACTORS, OR FROM SELLER’S IMPROPER PERFORMANCE OF SERVICES. THIS INDEMNIFICATION AND ALL OTHER AGREEMENTS OF INDEMNIFICATION BETWEEN BUYER AND SELLER SHALL SURVIVE THE ACCEPTANCE OF GOODS. Seller warrants that it has in effect, and will keep in effect, liability insurance sufficient to cover its potential liability hereunder. Seller agrees to provide a certificate of liability insurance coverage upon request by BUYER.

9. PATENT, TRADE SECRET, AND COPYRIGHT INFRINGEMENT

SELLER SHALL SETTLE OR DEFEND, AT ITS SOLE EXPENSE, AND SHALL PAY AND SAVE BUYER HARMLESS FROM ANY COSTS, EXPENSES, LOSSES AND DAMAGES RESULTING FROM ANY CLAIMS, SUITS OR PROCEEDINGS BROUGHT AGAINST BUYER WHICH ARE BASED UPON A CLAIM THAT THE GOODS, OR ANY PART THEREOF, INFRINGE OR CONTRIBUTE TO INFRINGEMENT ON ANY PATENT, TRADE SECRET, OR COPYRIGHT. In case the Goods or any part thereof furnished hereunder are held to constitute infringement or contributory infringement, and their use is enjoined in any suite or proceeding, Seller shall, at its sole expense, and at its own option: (1) procure for BUYER the right to continue using the Goods or part thereof; (2) replace the same with substantially equal but; non-infringing Goods; (3) modify the Goods so as to become non-infringing; or (4) upon written approval of BUYER, remove the Goods, at its sole expense, and refund the purchase price and the transportation, installation and removal costs thereof and shall pay all of BUYER’S damages incidental or consequential thereto.

10. NONDISCLOSURE

Except for disclosures necessary to the normal performance of this order, Seller shall not, without the prior written approval of BUYER disclose in any manner, any information concerning the Goods covered by this order, their intended use, or the services covered by this order.

11. RESPONSIBLE FOR BUYER’S PROPERTY

If in the performance of this order BUYER ships to Seller’s plant or otherwise places in Seller’s control or custody any property of BUYER for repair, inspection or other reasons, Seller assumes all responsibility for loss or damage to BUYER’S property when in Seller’s control or custody and agrees to carry adequate insurance accordingly.
12. **NON-WAIVER**

The failure of BUYER to insist upon strict performance of any of the provisions of this order or to exercise any rights or remedies provided by this order, or BUYER’S delay in the exercise of any such rights or remedies, shall not release Seller from any of its responsibilities or obligations imposed by law or by this order and shall not be deemed a waiver of any right of BUYER to insist upon strict performance of this order.

13. **ASSIGNMENT**

Seller shall not assign its rights, nor delegate its duties, without the express written permission of BUYER.

14. **GOVERNING LAW**

This order shall be interpreted in accordance with the local laws of the State of South Carolina. Any action at law or judicial proceeding instituted by Seller for the enforcement of this order shall be instituted only in the state or federal courts located in the State of South Carolina.

15. **INSTALLMENTS**

Seller may, if reasonable and approved by BUYER, ship Goods in separate installments. Notwithstanding that the Goods are shipped in installments, BUYER has the right to reject individual installments as if each such installment were a separate order.

16. **LAWS AND REGULATIONS**

Seller, its employees, and the Goods shall at all times comply with all applicable laws, ordinances, statues, rules, regulations and orders. With regard to Equal Employment Opportunity, Seller shall comply with Executive Order No. 11246, as amended, and applicable regulations promulgated thereunder.

17. **TERMINATION**

In addition to the rights granted under paragraph 5, BUYER may terminate the purchase order, or any portion of the work, at any time by the issuance of a change order. BUYER shall pay Seller the termination charges set forth in the purchase order prorated to the effective date of termination, or if not so stated, an equitable portion of the purchase order price shall be negotiated based on the portion of the work completed, less any previous payments. BUYER shall take possession of and title to any material and equipment produced or purchased if its cost is included in the termination charges; provided, however, that Seller shall be entitled to no compensation for equipment and materials either returned to Seller or not yet delivered to BUYER when such equipment and materials are Seller’s standard stock. BUYER may, but is not required to, purchase any customized materials, including dies, developed by Seller to produce Goods for BUYER. Upon any such
termination, Seller agrees to waive any claims for damages, including loss of anticipated profits, overhead, costs, fees or bonuses on account thereof, and agrees that this Section 17 shall be Seller’s sole remedy for such termination.

18. CHANGES

BUYER may, by written change order, change any of the provisions of the Agreement. No alteration, addition, omission or change shall be made by Seller except upon written change order by BUYER. If such changes affect the delivery date, price or any other material terms and conditions of the Agreement, Seller shall promptly notify BUYER and an equitable adjustment shall be negotiated and incorporated by a change order. If the parties cannot agree on the impact of a change order on the price, schedule or other terms, BUYER may nevertheless direct Seller to perform the change order with final determination of price, schedule or other terms reserved until completion of this Agreement.

19. REMEDIES

The remedies of BUYER provided for in this purchase order shall be cumulative and additional to any other or further remedies provided in law or equity, including remedies for incidental or consequential damages.

20. RESTOCKING FEES

BUYER shall not be required to pay restocking or similar fees to Seller unless a mutually acceptable fee is agreed to in writing by the parties. In the event that Seller supplies incorrect or defective materials or equipment, BUYER shall have no obligation to pay restocking or similar fees to Seller.

21. LIMITATION ON ACTION

Any action or suit by BUYER arising in any way from this purchase order or the contract formed by acceptance of it may be commenced at any time within four (4) years from date on which the cause of action accrues which is the basis of the action or suit.

August 2017