



SABRE UPDATES

13921 HWY 105 W. #121
Conroe, TX 77304

832.277.8840 Voice

TERMS OF PURCHASE

1. DEFINITIONS

As used throughout this Contract, the following terms shall have the meanings set forth below:

- a) **Articles** means the goods, products, supplies, lots of supplies; parts, assemblies, technical data, intellectual property, drawing reports, services, or other items constituting the subject matter of this Contract which are furnished by Seller as further described on the Purchase Order Contract and includes without limitation raw materials, components, intermediate assemblies, and all services to be performed or associated with the Articles.
- b) **Buyer** means Sabre Updates.
- c) **Contract** shall mean the Purchase Order Contract, including the conditions of Purchase, and any exhibits or attachments hereto.
- d) **Procurement Representative** means any duly authorized procurement representative of Buyer or subcontract administrator employed by Buyer.
- e) **Seller** means the individual, partnership, corporation, or association contracting to provide the Articles hereunder.
- f) **Subcontractor** means all contracts placed by Seller or lower tier contractors for the specific purpose providing and portion of the Articles under this Contract.

2. LIMITS OF CONTRACT

This contract integrates, merges, and supersedes all prior offers, negotiations, or agreements concerning the subject matter hereof and constitutes the entire agreement between the parties.

3. PAYMENTS

Seller shall be paid upon the submissions of proper invoices at the prices stipulated herein for the Articles delivered and accepted, less any proper deductions or setoffs. Unless otherwise specified, payment will be made on partial deliveries accepted by Buyer when the current on such deliveries so warrants, and payments shall be made net thirty (30) days after receipts of proper invoices.

4. INVOICES

Invoices for payment shall be submitted in triplicate and shall contain the following information: the Purchase Order Contract number, item number, description of the Articles, sizes, quantities, unit prices, and extended totals.

5. SHIPPING

a) Routing Instructions

Seller agrees to route all shipments in accordance with the instructions referenced on the Purchase Order Contract. If there are no routing instructions, Seller shall use a carrier appropriate to assure timely and safe delivery of the Articles. Any use of air freight shall have prior written approval with a specific forwarding designated by Procurement Representative. All deviations from Buyer's shipping instructions must have Buyer's prior written approval. Additional costs resulting from unauthorized deviations will be charged to Seller.

b) "Ship to" Instructions

All the articles are to be shipped to Buyer at its address on Purchase Order Contract unless otherwise designated. All shipping documents, shipping labels, and packing sheets must show full and complete information. Seller agrees not to deviate from these "ship to" provisions without prior authorization from Buyer. Unless otherwise provided in this Contract, Shipments shall be packaged to meet minimum packing requirements of surface and air carriers to afford adequate protection against damage via the method of transportation used. Shipments shall be marked with the necessary handling instructions, purchase agreement number and the consignee's name and address.

6. TITLE AND RISK OF LOSS

a) Unless this contract specifically provides elsewhere for earlier passage of title, title to the Articles covered by the Contract shall pass to Buyer upon final acceptance. Unless otherwise specified elsewhere in this Contract, final acceptance shall be deemed to have occurred as reasonable time after when or where Seller takes physical possession of the Articles.

b) Risk of loss or damage to the Articles remains with the Seller until:

- a. Delivery of the Articles to an authorized carrier, if transportation is f.o.b. origin; or,
- b. Final acceptance by Buyer or receipt of the Articles by Buyer at the destination specified in the Contract, whichever is later if transportation is f.o.b. destination.

c) Notwithstanding 6 (b) above, the risk of loss or damage to the Articles which fail to conform so as to give a right of rejection shall remain with Seller until such non-conformity is cured, at which time subparagraph (b) above shall apply.

7. CHANGES

Buyer may at any time by written order, unilaterally make changes to any terms of this Contract, the resulting contract, and any modifications of either of them (hereafter called "Contract Documents"). If such change causes an increase or decreases in the cost of, or the time required, for, the performance of any term of said Contract Documents, and equitable adjustment shall be made in the price or delivery schedule or both and the Contract Documents shall be modified in writing accordingly. Any claim by Seller for an equitable adjustment under this clause must be inserted within thirty (30) days from the date of receipt by Seller of the notification of change. Seller hereby waives any claim for equitable adjustment which is not made in the aforesaid thirty (30) day period. Seller agrees to support any claim hereunder with the separate job accounts to record changes on account of each change there under. Buyer shall not be liable for any claim pursuant to changes ordered by any person other than authorized procurement representative or who must execute the written change order for it to be considered a valid change order. Seller acknowledges that all normal and anticipated changes are included within the price of this contract and agrees that no equitable adjustments shall be claimed for such charges or in this clause shall excuse Seller from proceeding, and Seller shall proceed, with performance in accordance with the Contract Documents as changed Pending Resolution of any dispute under this Contract, Seller shall diligently proceed with its performance hereunder.

8. INSPECTION

Whether or not an inspection point is provided herein, the Articles shall be subject to inspection and testing by Buyer at all reasonable times and places, including after arrival at destination and, when practicable, during manufacture. In case any of the Articles are found to be defective in material or workmanship, or otherwise are not in conformity with this Contract, Buyer has the right to reject such goods or require their rejected or required to be corrected may be returned to and shall be replaced or corrected by and at the Buyer, Seller fails to promptly replace or correct the defective Articles within the contractual delivery schedule, Buyer may;

- a) By contract or otherwise, replace or correct such Articles and charge to Seller the costs incurred by Buyer thereby;
- b) Upon written notice terminate this Contract for default in accordance with the paragraph hereof titled "Default", or
- c) Require a reduction in price which is equitable under the circumstances. Final inspection and acceptance of the Articles shall be made by Buyer and shall be conclusive except as to latent defect, fraud, and Seller's obligations.

9. WARRANTIES

- a) For a period of one year from the date of acceptance or for such longer period as Seller normally grants to commercial customers, Seller warrants that all the Articles (including services) furnished hereunder shall be free from defects in workmanship and material, shall strictly comply with the requirements of this Contract and/or any samples, drawings or specifications incorporated herein, and where design is Seller's responsibility, be free from defects in design and shall perform in accordance with any specifications of Seller. The Articles are merchantable and are sufficient for the purpose intended by the Buyer. The foregoing warranties are in addition to all other warranties, whether expressed or implied, and shall survive any delivery to, or inspection, acceptance, or payment by Buyer, of or the Articles furnished hereunder. All warranties shall run to Buyer and its customers.
- b) If any of the Articles delivered hereunder does not meet the warranties specified herein or that are otherwise applicable, Buyer may, at its election
 - a. Require Seller to correct at no cost to Buyer, any defective or nonconforming Articles by repair or replacement, or
 - b. Return such defective or nonconforming Articles to Seller and recover from Seller the contract price thereof, plus transportation charges.

10. DEFAULT

- a) Time is of the essence in this contract.
- b) Buyer may, by written notice of default to Seller, terminate the whole or any part of this Contract if Seller fails to;
 - a. Make delivery of any of the Articles including performance of any services a part of the Articles within the time specified herein, or any extension thereof by change order or amendment; or
 - b. Replace the correct defective Articles or re-perform services in accordance with the paragraph hereof titled "inspection" or
 - c. Does not cure such failure within a period of ten (10) days (or such longer period as Buyer may authorize in writing) after receipt of such notice from Buyer specifying such failure.

- c) In the event of termination of this Contract, Buyer may procure replacement or substitute Articles upon such terms and in such manner as Buyer may deem appropriate provided, that Seller shall continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.

- d) If, after notice of default under the provision of (b) above, it is determined that the failure to perform under this Contract is due to unforeseeable causes beyond the control and without the fault or negligence of this Contract is due to unforeseeable causes beyond the control and without the fault or negligence of Seller and of its Subcontractors, if any, or it is determined that Seller was not in default under the provisions of this paragraph, said notice shall be deemed to have been issued pursuant to the provisions of this paragraph, said notice shall be deemed to have been issued pursuant to the paragraph hereof "Termination" and the rights and obligations of the parties hereto shall be governed by that paragraph. No such cause shall excuse Seller unless Seller has notified Buyer in writing of the existence of the cause written ten (10) days from the beginning thereof.

11. TERMINATION

Buyer reserves the right to terminate this Order or work under this Order, in whole or in part at any time. Any claim of Seller shall be settled on the basis of actual, reasonable, and substantiated costs incurred prior to the date of termination that Seller can demonstrate to the satisfaction of the Buyer, using its standard record keeping system.

12. CONFIDENTIALITY OF DATA AND INFORMATION

The use of drawings or specifications or information given to or derived there from by Seller in the performance of this Contract is restricted to Seller's use of such information in the course of supplying the Articles of Buyer. Any other use or disclosure is prohibited. Buyer retains all rights in designs, drawings, specification and other data or papers furnished to Seller in connection with this Contract. Upon completion of the work necessary to supply the Articles, Seller shall promptly return to the Buyer all designs, drawings, specifications and other data or papers furnished by Buyer together with all copies or reprints then in Seller's possession or control. In addition to the foregoing, there shall be no release of any information, or confirmation or denial of same, with respect to this Contract or subject matter hereof will be made without the prior coordination and express written approval of Buyer. This includes but is not limited to advertisements, brochures and other promotional material furnished to Seller.

13. INFORMATION DISCLOSED TO BUYER

Any knowledge or information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the purchase of the Articles covered by the Contract shall not, unless otherwise specifically be agreed upon in writing by Buyer, be deemed to be confidential or proprietary information and shall be acquired free from any restrictions as part of the consideration of the Contract.

14. INFRINGEMENT

Seller warrants that the Articles hereby ordered and the sale, resale and use of them will not infringe any United States or foreign patents or trademarks, and Seller agrees to defend, protect, indemnify and hold harmless Buyer, its successors, assigns, employees, officers, directors, customer and users of this products against all suits at law or in equity, and from all loss, liability, damage, claims and demands, including costs and expenses, for actual or alleged infringement of any patent or trademark by reason of sale, resale and use of the goods sold hereunder.

15. BANKRUPTCY

Subject to the rights of any trustee in bankruptcy and to applicable law, in the event of the appointment of a trustee, receiver, or liquidator for all or a portion of Seller's property, or for any act of bankruptcy by the Seller as defined in the Bankruptcy Act, as amended, or for any voluntary petition in bankruptcy by contract without further obligation, except that Seller shall be obliged to pay for any article or services delivered and accepted prior to any of the foregoing occurrences. In addition, if in Buyer's reasonable opinion Seller's financial condition is found to be or becomes unsatisfactory to Buyer to the extent Buyer reasonable believes that Seller's performance under this Contract is jeopardized; the Buyer may terminate this Contract whether or not Seller is otherwise in default under this contract.

16. PRICE COMPETITIVE

Seller warrants that the price for the Articles set forth herein does not exceed that price which is charged by Seller to any other commercial customer purchasing similar services or good of like grade and quality.

17. WORK ON BUYER'S PREMISES

If the furnishing of the Articles under this Contract involves operations by Seller on Buyer's premises, Seller shall take all necessary precautions to prevent occurrence of any injury to person or damage to property during the progress of such work. Except to the extent that such loss is due solely to Buyer's negligence, Seller shall indemnify and hold harmless Buyer, its successors, assigns, employees, officer, director, guests and invitees against all loss, damage and claims, including costs and expenses, which may result in any way from any act or omission of Seller, its agents, invitees, employees or subcontractors. Seller shall maintain such comprehensive general liability insurance, including coverage for personal injury and property damage, and employer's liability and compensation, occupational safety, and occupational disease laws and regulations. Seller shall obtain Buyer's approval of such insurance before commencing work and shall prove Buyer with acceptable certificates of insurance.

18. APPLICABLE LAWS

This Contract shall be governed by, subject to and construed according to the laws of the State of Florida, except that when Federal Common Law of Government Contracts exists on substantive matters requiring construction under this Contract, such Federal Common Law shall apply in lieu of State law. The Seller shall comply with all applicable Federal, State and Local laws. The Contractor consents to the jurisdiction of the Courts of Florida with respect to any legal action commenced therein.

19. PRECEDENCE

All documents and clauses in this Contract shall be read so as to be consistent to the extent practical. In the event of any conflict between the provisions of this Contract, the order of precedence shall be the description of the Articles in the face of this Contract, the preprinted provisions of this Contract, and any documents incorporated herein by reference.

20. ASSIGNMENT

Any assignment or delegation of this Contract or duties hereunder by the Seller shall be void, unless prior written consent thereto is given by Buyer. Any monies due, or to become due hereunder, may be assigned, provided that such assignment shall not be binding upon Buyer until the assignment agreement is accepted and acknowledged in writing and shall be subject to any proper deductions or setoffs against such monies.

21. REMEDIES

The remedies provided in this Contract shall be cumulative and in addition to any other legal or equitable remedies available to Buyer. No waiver by Buyer of any provision of this Contract or of any right shall constitute a waiver of any breach of such provision or of any other provision or right. No failure or delay by Buyer to exercise any right, power or privilege hereunder shall operate as a waiver thereof.

22. ACCEPTANCE

Buyer recognizes that Seller may desire to utilize its own form of Acknowledgement. Acknowledgement of the Purchase Agreement shall be deemed acceptance of the agreement, and a contract in the Terms and Conditions herein.