

ACCEPTANCE OF THIS PURCHASE ORDER BY THE "VENDOR" CONSTITUTES ACCEPTANCE OF THE TERMS AND CONDITIONS CONTAINED IN FIVE STAR MANUFACTURING GROUP, INC., ("FSMG") VENDOR AGREEMENT WHICH INCLUDES, BUT IS NOT LIMITED TO THE FOLLOWING:

1. The VENDOR may not ship substitute product to FSMG without FSMG's prior approval.
2. The VENDOR may be liable for additional costs incurred if product does not ship from VENDOR's premises on or before the "REQUIRED SHIPPING DATE" on this Purchase Order due to the negligence or misrepresentation on VENDOR's part of product availability. These costs include, but are not limited to, additional shipping and packing expenses.
3. The VENDOR will be responsible for reshipping product to FSMG at its own expense which arrives defective or damaged due to inadequate packaging, at FSMG's warehouse or other delivery address. All shipments must adhere to the FSMG Packing and Marking Specifications attached hereto and made a part hereof. The VENDOR will be responsible for any additional expenses FSMG incurs for labor and cost of reworking, on all shipments that do not conform.
4. The product shipped on this Purchase Order must meet print and functional specifications and FSMG quality specifications. Vendors of product which as determined by FSMG fails to meet the quality specifications will be notified by email and have seven (7) days to respond. The email will detail the reason for rejection and call out the planned disposition of such material. After (7) days FSMG will take a credit for the rejected material and follow noted disposition. If the material is to be returned it will be sent freight collect.
5. No additional handling or insurance charges will be allowed without prior approval from FSMG.
6. All shipments that are F.O.B. origin must be shipped in accordance with FSMG's routing instructions unless otherwise instructed on this Purchase Order. Failure by the VENDOR to comply will result in a debit for the difference in freight costs.
7. By shipping the item(s) listed on the reverse side, the VENDOR warrants that it has the right to sell or represent the item(s) on this Purchase Order, and that the item(s) listed are prepared for market distribution.
8. The VENDOR also warrants the non-infringement of any patent, trademark or copyright or any other right of a third party on the item(s) listed on this Purchase Order. The VENDOR indemnifies FSMG in regard to any claim from any third party that alleges infringement of any such right.
9. The VENDOR warrants that the goods shall meet FSMG's specification described herein and are free from defects in material and workmanship. The forgoing warranty is exclusive and in lieu of all other warranties, whether written, oral or implied, including the warranty or merchantability and the warranty of fitness for a particular purpose.
10. This contract is to be construed according to the laws of, and under the Uniform Commercial Code as adopted by, the State of Tennessee. This document constitutes the full understanding of the parties, and no terms, conditions, understandings or agreement purporting to modify or vary the terms of this document shall be binding unless hereafter made in writing and signed by the party to be bound.