

MERRITT WOODWORK'S STANDARD TERMS AND CONDITIONS OF PURCHASE

Unless otherwise stated on the front of this Purchase Order, the following terms and conditions apply:

1. Offer and Acceptance. This Purchase Order is an offer by Merritt Woodwork ("MW") to purchase the goods or services listed on the front side of this document (the "Products"). Seller may accept this offer orally, in writing or by commencing performance, but Seller's acceptance, regardless of form, shall not alter these terms and conditions. MW expressly objects to any terms or conditions in any of Seller's printed forms or other writings which are additional to, different from or inconsistent with those contained in this Purchase Order. Seller's printed forms shall not be sufficient objection to any of the terms and conditions in this Purchase Order. MW's acceptance of or payment for any Products shall not in any way alter the terms and conditions of this Purchase Order. MW's failure to object to terms or conditions in any order acknowledgement, invoice or other communication from Seller shall not constitute a waiver of the terms and conditions of this Purchase Order. No course of dealing, custom or usage which is contrary to MW's terms shall apply.

2. Prices; Payment. MW shall pay the price(s) stated on the front of this Purchase Order. Payment shall be due after the later of MW's receipt and inspection of the Products or MW's receipt of proper invoices. If the price is omitted from this Purchase Order, Seller shall not charge any price higher than the most recent price quoted to MW prior to the date of this Purchase Order.

3. Changes; Cancellation. MW may change this Purchase Order and any related drawings, specifications, shipping instructions, quantities, and delivery schedule, or cancel this Purchase Order without cause, at any time by written notice to Seller. If appropriate, the parties shall then negotiate in good faith an equitable adjustment in price and/or time for performance or, in the event of cancellation, MW shall pay for all Products delivered and acceptable to MW and compensate Seller for costs incurred for work in process, but in no event in an amount in excess of the price specified in this Purchase Order. Upon notice of cancellation, Seller shall, unless otherwise directed, immediately discontinue all work in process and immediately cancel all orders or subcontracts given or made pursuant to this Purchase Order.

4. Packing and Shipping. Seller shall pack, mark and prepare the Products for shipment in accordance with any instructions from MW or, absent instructions, in a manner which will prevent damage or destruction. Seller shall ship the Products in accordance with MW's instructions or, in the absence of instructions, at the lowest transportation rates available. MW shall not be liable for the cost of packing, crating or cartage.

5. Title and Risk of Loss. Products will be shipped FOB MW's location. Seller shall retain title and all risk of loss until delivery to MW's facility. Seller shall furnish Products to MW free and clear of all liens, claims and encumbrances.

6. Scheduling. Seller shall deliver Products strictly in accordance with the schedule specified by MW or, if no schedule is specified, within a reasonable time. TIME IS OF THE ESSENCE. Seller must notify MW immediately of any delays. MW may cancel all or any part of this Purchase Order if Products are not delivered in accordance with the specified schedule. MW may reject any Products received after the scheduled delivery date(s).

7. Warranties; Remedies. In addition to any specific warranties set forth on the front side of this Purchase Order, Seller warrants: (a) all Products will conform to the requirements of this Purchase Order (including but not limited to all applicable descriptions, specifications, drawings, data and samples, whether supplied by Seller or MW) and will be merchantable, of first class material and workmanship, free from defects including defects in design, and fit, suitable and sufficient for their intended purposes or, to the extent they are services, will be rendered in a good and workmanlike manner consistent with industry practices; (b) that in performance of this Purchase Order, Seller has complied or will comply, and all Products have been produced or furnished in full and complete compliance, with Federal, State and local laws and ordinances and all lawful orders, rules, and regulations thereunder, including without limitation compliance with Executive Order No. 11246 (Equal Employment Opportunity), Executive Order No. 11701 (listing of Job Openings for Disabled Veterans and Veterans of the Vietnam Era), Executive Order 117568 (Employment of the Handicapped), the Federal Occupational Safety and Health Act of 1970, the Consumer Product Safety Act, the Toxic Substances Control Act, the Federal Hazardous Substance Act and the Fair Labor Standards Act (provided that where necessary to make the context of any law, rule or regulation applicable to this Purchase Order the term "Contractor" shall mean the Seller and the term "Contract" shall mean this Purchase Order) and Seller shall provide MW with written certification upon request. Seller shall be liable for all consequential and incidental damages arising out of any breach by Seller of the foregoing warranties, or any other term contained in this Purchase Order, including without limitation any liquidated damages or other delay costs assessed by MW's customer or the owner for Seller's delays in delivery.

8. Inspection. MW may inspect and/or expedite the production of the Products at Seller's or its supplier's facilities at any reasonable times. All Products are subject to final inspection and acceptance by MW at the specified destination, notwithstanding any prior payment or inspection at source. Acceptance of any Products shall not be deemed to affect the obligations of Seller or the rights of MW under the "Warranties" or "Indemnification" clauses of this Purchase Order.

9. Use of Information. All specifications, drawings, samples, designs and other data or information furnished by MW to Seller shall remain MW's property. Seller shall return all originals and copies of any documents to MW upon request. Unless the documents and information were previously known to Seller without any obligation to keep the information confidential, or have been or subsequently made public by MW or a third party other than by a breach of a confidentiality obligation, Seller shall keep the documents and information confidential and shall use them only as required to fill this Purchase Order. Data furnished by Seller to MW shall not be considered by MW to be confidential or proprietary.

10. Lien Waiver. For good and valuable consideration, including the negotiated price for the Products, Seller unconditionally waives and releases any and all mechanics' lien rights or claims of lien rights against the premises, the project property, or contract funds due. Seller agrees not to file, or to permit its subcontractors, vendors, laborers, unions, or material men (including lower-tiers), to file any mechanics' liens to secure payment for materials or services furnished in furtherance of this Purchase Order. Seller further agrees that any such lien shall be void and unenforceable and shall constitute a substantial and material breach of this Purchase Order.

11. Indemnification. Seller shall indemnify, defend and hold harmless, MW, its customer, the general contractor, and/or the project owner and their officers, employees and representatives, from and against any and all damages and claims whatsoever, whether involving injury or damage to person or property, and any and all suits, causes of action and proceedings allegedly arising from or attributable to (a) the Products or their use, (b) Seller's failure to comply with any law, rule or regulation, or (c) any breach or default by Seller under this Purchase Order. This indemnity shall survive the termination or cancellation of this Purchase Order.

12. Intellectual Property Indemnification. Seller warrants that the Products and their use do not infringe on any patent, trademark, copyright or other intellectual property right either in the U.S.A. or in foreign countries. Upon notice from MW, Seller shall promptly defend any suit, action or proceeding brought against MW, its customers and users of its products, for alleged infringement of third party intellectual property rights. Seller shall indemnify and hold MW, its customers and users of its products, harmless against any liability, damage, loss cost or expense (including court costs and reasonably attorney's fees) resulting from any such suit, action or proceeding, including any settlement. MW may, at its option, be represented by, and actively participate through its own counsel in any such suit, action or proceeding, and the costs of such representation shall be paid by Seller.

13. Insurance. Seller shall secure and maintain Comprehensive General Liability Insurance including products, completed operations and broad form vendors interest coverage to protect MW against liability. For work done on MW's premises, Seller shall furnish MW prior to commencement of work certificates of insurance showing that Seller has Worker's Compensation, Employer's Liability and Comprehensive General Liability (including automobiles) coverages in the minimum amounts and form as may be specified by MW, which coverages shall not be allowed to change or expire until the services or work have been completed and accepted. MW, its customer and/or the owner shall be named as additional insureds.

13. Notices. Any notice required or contemplated by this Purchase Order shall be in writing and shall be delivered personally or sent by telefax or by prepaid registered mail. Notice by telefax shall be deemed to have been received when transmitted and any notice sent by registered mail shall be deemed to have been received on the second day following the date mailed.

14. Miscellaneous. Seller may not assign this Purchase Order without MW's prior written consent. Invalidity of any provision of this Purchase Order shall not affect the validity of any other provision and any invalid provision shall be severed from the valid provisions. No failure by MW to exercise any right accruing to it by virtue of the parties' relationship or under any contract entered into with Seller shall operate as a waiver thereof or preclude the exercise of any other right or privilege by MW. There are no other terms and conditions applicable to the purchase and sale of the Products other than those contained in this Purchase Order (including any specifications or other documents incorporated by reference in the Purchase Order). No modification, amendment, waiver or other change of any provision of MW's terms shall be binding on MW without MW's written consent.

15. Governing Law; Venue. This Purchase Order and the parties' relationship shall be governed by Ohio law as if the relationship arose in and was to be performed entirely within Ohio. The exclusive venue and jurisdiction for the resolution of all disputes between the parties shall be the state or federal courts located in Cuyahoga County, Ohio unless the dispute involves MW's customer, the general contractor and/or the owner, and another venue, forum or dispute resolution procedure is specified in the prime contract documents between MW and its customer, the general contractor or the owner, which are incorporated herein by reference. Seller agrees to be joined in and bound by any arbitration, litigation or other dispute resolution process required by the prime contract documents with respect to any claim, dispute, demand or damages involving the owner, the general contractor, and/or MW's customer. Except for third-party indemnity claims, any action for a breach of contract or other claim arising out of the parties' business relationship must be commenced within one year after the cause of action has accrued.