

EXHIBIT "A" - TERMS AND CONDITIONS OF PURCHASE ORDER

Attached and made a part of all of Huen's present and future Purchase Orders

1. DEFINITIONS:

- a. "Purchaser" shall mean, Huen Electric, Inc.
- b. "Contractor" shall mean the person, firm or corporation or the representative of any of these parties agreeing hereunder to perform the labor and services (collectively the "Services") or to provide the materials and equipment (collectively the "Goods") described on the face of this Purchase Order ("Order").
- c. "Project Documents" shall mean the drawings, the specifications, the conditions of the contract (General, Supplementary and other conditions), and all addenda issued prior to and all modifications issued after execution of the contract to perform the work. A modification is (1) a written amendment to the contract, (2) a change order, (3) a written interpretation or change directive issued by the Architect, Engineer, or Purchaser, (4) a written order for a minor change in the work.
- d. "Project" shall mean the total construction for which the "Goods" or "Services" being provided under this order or a portion thereof.

2. **ACCEPTANCE OF OFFER:** This Order and the Project Documents constitute Purchaser's offer to Contractor and becomes a binding contract on the terms set forth herein, when accepted by the Contractor by written acknowledgment or by the commencement of performance of the Order. No revision or condition stated by Contractor in accepting this Order shall be binding upon Purchaser if inconsistent with or in addition to the terms and conditions herein unless expressly accepted in writing by Purchaser. This Order and the Project Documents when accepted constitute the entire agreement between Purchaser and Contractor relating to the matters described herein, and there are no collateral or verbal understandings relating to such matters. Such agreement supersedes all previous communications and negotiations between the parties. Execution of the Contract by the Contractor is a representation that the Contractor has reviewed the documents pertaining to the Project and has become familiar with local conditions under which the Goods will be used. The intent of the Project Documents is to include all items necessary for the providing of the Goods. Any required information shown or detailed in one portion of the Project Documents shall be binding as if required by all.

The Contractor shall study and compare the Project Documents with each other and with any other information provided and shall at once report any errors, inconsistencies, or omissions discovered. If the Contractor performs any activity or provides any Goods knowing it involves a recognized error, inconsistency or omission in the Project Documents without giving notice of the error, inconsistency or omission, the Contractor shall assume appropriate responsibility for such performance and shall bear an appropriate amount of the attributable costs for correction.

It is the Contractor's duty to review all contracts between Purchaser and General Contractor and/or Purchaser and owner to determine if there is a no-lien clause in any of the contracts. In the event that Purchaser has signed a no-lien contract with owner or any other party, the no-lien provision shall be applicable to and binding on Contractor.

3. **INDEPENDENT CONTRACTOR:** This is an Order for the performance of Services or the providing of Goods by the Contractor as an independent Contractor, and not an Order of employment. While Purchaser may indicate the provision of Goods hereunder, the manner and means of providing such Goods are entirely under the direction and control of Contractor. Under no conditions are persons providing Goods hereunder to be considered as employees of Purchaser. Contractor assumes full responsibility for its employees' acts and omissions and exclusive liability for any payroll taxes or contributions imposed by any federal or state law dealing with employees.

4. **CHANGES IN WORK:** Changes in the type, grade, quality or quantity of Goods or in any other matter described in this Order shall be authorized only upon the issuance by Purchaser of a written purchase order revision (change order) which shall expressly describe any such changes.

5. **CANCELLATION:** Should Purchaser at any time and for any reason decide to terminate this Order, this Order shall be cancelled effective three days after Purchaser's service to Contractor of written notice of cancellation. In addition to Purchaser's other remedies, Purchaser reserves the right to cancel or terminate this Order in full if the Goods to be provided hereunder are not provided by the due date or dates specified, or if no such date is specified, within a reasonable time, or if such Goods otherwise do not conform in any way to the terms of this Order, or if the Contractor fails to make prompt payments to suppliers, subcontractors or sub-subcontractors or if the Contractor is in breach of the Project Documents. Such termination shall not prejudice nor forfeit any of the rights or remedies of the Purchaser. Upon any such cancellation, all plans, designs, drawings, models and specifications shall be the property of Purchaser and shall be delivered by Contractor to Purchaser.

6. **COMPENSATION:** Contractor's entire compensation for Services to be performed and Contractor's entire price for Goods to be provided, or the method of computing the same, is specified on the face of this Order or on attachments incorporated herein. It is specifically agreed that the price stated on the face of the Order for all Goods purchased herein includes delivery F.O.B. the place of destination designated on the face of this Order. No charges will be allowed for packing, crating, freight, express, or special handling, unless specified on the face hereof. All prices stated herein are net, and include any and all applicable federal, state and local taxes unless stated otherwise on the face hereof, and shall remain in effect during the length of the project without escalation.

7. **TAXES:** Contractor shall pay all taxes imposed by the Federal Government or any state or local government on payrolls or compensation of its employees and any other taxes, fees and charges on account of this Order; the receipts therefrom, the sale of the Goods or the performance of the Services which are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely schedule to go into effect.

8. **INVOICES:** Contractors shall submit invoices to Purchaser in the following manner:

- a) A separate invoice shall be issued for each delivery.
- b) A separate invoice shall be issued for each purchase order.
- c) Each invoice shall include the purchase order number and project name with specificity.
- d) Each invoice shall be accompanied by a Bill of Lading or express receipt.

Should invoices be subject to cash discount, then the discount period will be calculated from the date the invoice is received by Purchaser.

9. **PAYMENT TERMS:** Payment for Goods delivered shall be made 90 days after receipt of invoice and Purchaser's Representative's verification that the Goods conform to the requirements of the Purchase Order.

10. **CONTINGENT PAYMENT:** If Purchaser is required or chooses to itemize the amount it is paying to the Contractor for the Goods being provided (i.e., the purchase order value) in its applications for payment to its client and the purchase order amount is in excess of \$5000 then any partial or full payments of such itemized amounts shall only be made to the Contractor after Purchaser receives the partial or full payment of such itemized amount from its client.

11. **ADVANCED DELIVERY NOTICE:** Contractor agrees, as a condition of Purchaser's obligation to accept Goods, to give Purchaser 48 hours advance notice of any direct shipment of Goods from the Contractor or from the manufacturer's factory or warehouse.

12. **IDENTIFICATION:** Each package of Goods shall be numbered and labeled with Purchaser's order number, project name, contents and weight (if in excess of seventy pounds), shall contain an itemized packing slip and shall be properly packed for shipment. Each item of equipment (Tubs, Doors, Interiors, Transformers, etc.) must be labeled with the purchase order number and the assigned destination number for the project (i.e., LP-1, PP-1, T-1, etc.).

13. **PERFORMANCE: TIME IS OF THE ESSENCE** – Contractor agrees to furnish all Services and Goods necessary for the performance of this Order on or before the date specified on the face of this Order for completion thereof or within a reasonable time if no date is so specified. Contractor further agrees to deliver the Purchaser all Goods described herein on or before the due date or dates for delivery specified on the face of this Order or within a reasonable time if no date is so specified. Contractor shall indemnify Purchaser for any and all loss or damage which Purchaser might sustain by reason of Contractor's failure to make timely delivery of such Goods.

14. **QUANTITY:** Goods shipped in excess of the quantity designated in this Order may be returned at Contractor's expense. Contractor further agrees to allow Purchaser to change designated quantities, as Purchaser deems necessary during the course of the work without penalty to Purchaser.

15. **ASSIGNMENT AND SUBCONTRACTING:** Contractor shall not assign or subcontract this Order or any part thereof without the prior written consent of Purchaser. In the event that Contractors intends to request permission to assign or subcontract any portion of the work, then as soon as practicable after the signing of this Order, the Contractor shall furnish in writing to Purchaser the names and addresses of persons or entities proposed to do work as assignees, subcontractors or sub-subcontractors. Contractor agrees to secure and to deliver to Purchaser an agreement from any such permitted assignee or subcontractor to be bound by the terms of this Order.

16. **CONTRACTOR'S GUARANTEE:** Contractor warrants that all Goods and Services furnished herein will conform to plans, specifications, samples or other descriptions furnished by Purchaser and shall be new, of good workmanship and quality, free of all defects and fit for the intended purpose or use of Purchaser and Purchaser's assignee. Purchaser may reject any Goods which do not meet any one or more of the criteria set out above, and Purchaser may return any of such Goods or, at Purchaser's option, all Goods described in the Order to Contractor at Contractor's expense. Purchaser shall have the right to inspect and test any Goods before acceptance if such inspection and test are made within a reasonable time or as provided in the specifications. No examination or inspection shall operate as a waiver or exclusion of any express or implied warranty unless so indicated in writing by the Owner. Contractor shall pay the cost of inspecting and testing of Goods rejected and all transportation charges thereon. Contractor shall be responsible for any additional labor or material or other costs incurred by Purchaser or levied against Purchaser as a result of defective or incorrect Goods or Services provided under this Order. Contractor's guarantee of Services shall extend for a minimum of one year from the date of Purchaser's final approval of such Services or as specified in the Principal Contract. All contractor's guarantees described herein shall extend for the period of manufacturer's warranty, or for one year from the date of delivery or the date of Purchaser's final approval, whichever period is last to expire.

In the event that the Contractor provides Goods or performs Work knowing it to be contrary to the laws, statutes, applicable building codes or statutes without notice and approval from the Purchaser, the Contractor shall assume full responsibility for such work and shall bear the resulting costs.

17. **FINAL INSPECTION:** All Services performed and Goods provided will be subject to final inspection and approval by Purchaser and by the Owner, Architect and Engineer. The making of periodic payment by Purchaser shall not be construed as such final approval of Services performed or Goods provided up to the time of payment. All Goods must bear the Underwriter's Label and must comply fully with the National Electrical Code and the Electrical Code of Chicago or the electrical code of the municipality where the jobs site on which the Goods are to be used is located, if different from Chicago.

18. **FORCE MAJEURE:** Purchaser shall not be liable to Contractor or to any other person for any failure or delay in the performance of any obligation under this Order due to events beyond Purchaser's reasonable control, including, but not limited to, fire, storm, flood, earthquake, explosion, accident, acts of the public enemy, sabotage, riots, civil disorders, war, strikes, lockouts, labor disputes, labor shortages, work stoppages, transportation embargoes or delays, failure or shortage of materials, supplies or machinery, acts of God, or acts or regulations or priorities of the federal, state or local government or branches or agencies thereof.

19. **LIENS:** Contractors shall indemnify and hold harmless Purchaser from laborers, mechanics, Architects, Engineers and materialmen's liens upon the property, the Goods, the work in progress or the premises on which the Services are to be performed or into which the Goods are to be incorporated. At the request of Purchaser at any time, Contractor agrees to provide Purchaser with lien releases covering its or its permitted subcontractor's Services and Goods performed or provided hereunder. Purchaser shall not be obligated to pay to Contractor any amount owing to Contractor while Contractor is in default hereunder or has failed to correct any defect or default relating to the Services or to the Goods and unless Contractor has provided Purchaser with lien releases covering its or its permitted subcontractor's Services and Goods performed or provided hereunder.

20. INSURANCE:

(a) Contractor shall obtain the following insurance, which shall be maintained at all times during the life of this Order and for a reasonable time thereafter, except as more specifically provided hereafter:

- 1) Workmen's Compensation and Employer's Liability Insurance and any and all coverage of Contractor's employees as is required by law.
- 2) Comprehensive General Liability Insurance for bodily injury and property damage liability, covering all of the operations of Contractor and Contractor's officers, agents, subcontractors and employees herein, including but not limited to automobile liability, contractual liability specifically covering the liability assumed herein, and completed operations coverage which shall specifically cover liability for Services and/or Goods provided for herein in form satisfactory to Purchaser and with limits of liability which shall not be less than the following:
 - (i) \$1,000,000 for injury to, or death of, any one person;
 - (ii) \$1,000,000 for injury to, or death of, two or more persons; and
 - (iii) \$1,000,000 for property damage, or
 - (iv) for a combined single limit of \$1,000,000
- 3) Errors and Omissions Coverage, when applicable, as determined by Purchaser, covering Contractor's professional liability for the Services and/or Goods provided for herein with limits of liability which shall not be less than a combined single limit of \$500,000.

In the event of any reduction of the exhaustion of an aggregate annual limit of liability, Contractor shall then obtain additional insurance to replenish the limit of liability herein provided.

(b) If Purchaser requests, Contractor shall furnish Purchaser with certificates of such insurance containing insurance company's endorsement or a copy of such policies before performing Services or providing Goods. Such Certificates of insurance shall name Purchaser as an additional insured and any other parties Purchaser may deem appropriate to also be included as additional insureds.

(c) All such insurance policies shall provide (unless by statute applicable thereto it is otherwise provided) that in the event of cancellation thereof, written notice of such cancellation shall be given to Purchaser at least thirty (30) days prior to the effective date of such cancellation.

(d) The obligation to carry insurance as herein required shall not limit or modify in any way other obligations assumed by Contractor under this Order.

21. **INDEMNIFICATION:** Contractor shall indemnify, hold harmless and at Purchaser's request defend Purchaser and any Owner, General Contractor, Architect or Engineer involved in any project or projects in which the Goods or Services procured by this Order shall be used, and each of the officers, employees, and agents of Purchaser and such other persons, from or against any and all suits, actions, legal proceedings, claims, losses, demands, damages, costs, and expenses of any kind or character whatsoever (including but not limited to claims for just damage, nuisance and attorney's fees and expenses) arising directly or indirectly out of or by reason of any injuries (including death), damage to any person or persons, damage to property (including property on or adjacent to the job site) of any persons, firms or corporations, or out of any liability or obligation, in any manner caused or occasioned, or claimed to be caused or occasioned by any act, conduct, omission, fault or sole or concurrent negligence of Contractor or of any subcontractor or materialman or anyone acting on behalf of the Contractor in connection with or incidental to this Order or the Services to be performed or Goods to be provided hereunder, or by reason of any fault or defect in any of the Goods Services procured through this Order.

22. **COMPLIANCE WITH LAWS:** The Contractor agrees to comply with and to indemnify Purchaser against loss due to a violation of all applicable federal, state, and local laws and governmental regulations and rules now or hereafter enacted or promulgated, including, without limitation, all laws, regulations and rules relating to the manufacture and delivery of Goods and to the performance of Services procured through this Order and also including all applicable requirements of the Fair Labor Standards Act, as amended (including all regulations and orders of the Department of Labor issued thereunder), and all applicable requirements of the Occupational Safety and Health Act of 1970 (including all regulations issued thereunder). Any clause required to be included in this Order by any applicable Federal, State or Local Law or administrative rule or regulation having the effect of law hereby is deemed to be expressly incorporated herein.

23. **EQUAL EMPLOYMENT OPPORTUNITY:** Contractor shall comply with all provisions of Executive Order 11246 of September 24, 1965, including Section 202 thereof, relating to equal employment opportunity as well as all requirements under 41CFR, Part 60-250 and 741 relating to Affirmative Action Clauses for Handicapped Workers and Disabled Veterans and Veterans of the Vietnam Era, and all implementing rules and regulations of the Secretary of Labor are incorporated herein by specific reference.

24. **PATENTS:** The Contractor shall pay all royalties and license fees. Contractor shall protect and indemnify Purchaser from and against claims, damages, judgments, expenses and loss arising from infringement or alleged infringement of any patent of the United States by any of the Goods delivered hereunder and Contractor shall defend or settle at its own expense any suit or proceeding brought against Purchaser for such infringement. Furthermore, in the event that Purchaser should be enjoined in such suit or proceeding from using any of the Goods delivered hereunder, Contractor shall replace said Goods with non-infringing Goods or modify same to become non-infringing, all at Contractor's expense and to Purchaser's satisfaction.

25. **OWNERSHIP OF DOCUMENTS:** All plans, drawings, patterns, tools, samples, specifications, memoranda, or other similar items prepared constructed, or applied by the Contractor, his employees, or his agents shall be the sole and exclusive property of Purchaser and shall be delivered to Purchaser on Purchaser's request at any time.

26. **NOTICES:** Any and all notices or other communications required or permitted by this Order or by law to be served on a given to either party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom it is directed, or in lieu of such personal service, when deposited in the United States mail, first-class postage prepaid and addressed to the party at the address set forth on the face of this Order. Either party may change its address for the purposes of this paragraph by giving written notice of such change to the other party in the manner provided in this paragraph. All notices to the Purchaser must be addressed to the "Controller".

27. **SEVERABILITY:** No partial invalidity of this Order shall affect the remainder hereof.

28. **REMEDIES AND GOVERNING LAW:** The rights and remedies of Purchaser set forth in this contract shall not be exclusive and are in addition to any other rights and remedies provided by law. The interpretation and performance of this contract shall be governed and construed by law of the State of Illinois.

29. **CONTRACTUAL OBLIGATIONS:** Additional obligations imposed on the Purchaser by the Principal Contract, if required to be imposed on the Contractor are so imposed on the Contractor.

30. **SHOP DRAWINGS:** The Contractor shall review, approve, and submit to the Purchaser shop drawings, product data, samples and similar submittals required by the Project Documents with reasonable promptness and in such sequence as to cause no delay in the project. The Contractor shall perform no portion of the work requiring submittal or review of shop drawings, product data, samples, or similar submittals until the respective submittal has been approved. By submitting shop drawings or similar, the Contractor represents that the Contractor has determined field measurements and field installations criteria and has coordinated such information with the Project Documents.

31. **TIME LIMITS ON CLAIMS:** If the Contractor wishes to make a claim for an increase in the sum of money to be paid under the terms of this Order, written notice shall be given to the Purchaser before proceeding to do any additional work. Any claim to be made by the Contractor shall be made within 21 days after occurrence of event giving such rise to the claim or within 21 days after the claimant first recognizes the conditions giving rise to the claim, whichever date comes first.

32. **DELAYS:** In the event that the Purchaser delays Contractor in any manner, within or beyond the control of the Purchaser, Contractor shall be entitled to no compensation for the delays. However, at the full discretion of the Purchaser, an increase in the time to perform may be given to the Contractor, in the event that the Contractor causes any delays that result in full or partial loss of any incentive money due Purchaser under any contract, bonus, incentive clause, delay damages, acceleration costs and liquidated damages as such terms are generally used in the construction industry, the Contractor shall be liable to the Purchaser for associated costs, losses and damages to the extent of delays caused by the Contractor.

33. **CORRECTION OF WORK:** The Contractor shall promptly correct any work that is not in conformance with the Project Documents, whether or not it is observed before or after fabrication, completion, or installation. If Contractor fails to make corrections within 21 days of written notice, then Purchaser may make the necessary corrective action and be reimbursed for all costs by the Contractor. If the Purchaser prefers to accept work, which is not in accordance with the Project Documents, the contract sum shall be reduced as appropriate at the discretion of the Purchaser.

34. **SCHEDULE "H":** The terms of this Order are subject to the terms listed in Schedule "H". Failure of the Contractor to comply with any of the marked items of Schedule "H" constitutes a breach of contract by the Contractor.