



BLANKET ORDER TERMS AND CONDITIONS

Introduction: Maxwell Products Corp. (MPC) offers extended stocking arrangements for qualified customers to ensure availability of the correct products to meet your manufacturing needs in a timely manner. This arrangement benefits your company by minimizing the amount of supplies you need to stock, and allows us to more effectively manage purchasing and reduce costs. This gives us the opportunity to add value to our relationship by providing the highest level of service at the best possible competitive pricing.

Definition: A blanket order is defined as a purchase order from a customer for one or more items to be delivered over an extended period of time, normally in more than one release. MPC is flexible in the mechanics of managing blanket orders to accommodate your needs. (e.g. repeat a single purchase order number, increment PO numbers, fixed delivery schedules, will-call delivery.)

Pricing: In order to provide the most competitive pricing, our policy is to offer a relative pricing arrangement. For short period blanket orders (generally 3 months or less), we will commit to maintaining firm-fixed pricing. For longer periods, we can offer a lower initial price with the condition that pricing may be adjusted to reflect percentage increases as published by the manufacturer of items covered by the blanket order. These increases would coincide with the published price date at the time of shipment.

Stocking commitment: MPC will commit to stocking sufficient material, up to two releases forward on the blanket order, to meet the agreed upon delivery schedule.

Purchase commitment: We recognize that there are many variables to manufacturing. To help minimize your risk, MPC will **NOT** require you to accept the full quantity of a blanket order under the following conditions:

1. The reduced requirement could be foreseen and was communicated in a timely manner to MPC.
2. Neither pricing nor quantities were conditions (placed on MPC by manufacturers) of fulfilling the blanket order requirements.
3. Stock levels maintained by MPC were at a level below the full blanket quantity and mutually agreed upon.
4. The material can be readily sold to other existing customers of MPC.

We **DO** expect your company to accept all material that MPC does stock to meet agreed-upon delivery requirements and reserve levels.

Delivery: In order to ensure product is available to you as needed, we can accommodate the following order types:

Fixed Delivery – If your company can provide a firm delivery schedule. MPC will maintain sufficient material to ship product to your facility on a specific day or date. (e.g. Every Monday, every other Wednesday, the 5th of every month, or a specific schedule of dates.)

Will-Call – If we agree on a specific quantity to be available for immediate shipment at your request, MPC would ship as soon as practical. (e.g. smaller quantities, call by 3:30 to ship the same day, call the day before scheduled route delivery to get onto the next day's route.)

Spot-fill orders: MPC will accommodate spot orders in accordance with any wants or needs of your company in the event that they are:

1. In advance of scheduled deliveries and complete the blanket order earlier than expected
OR
2. Draw against blanket reserve, but place the product on a separate order while keeping to the original schedule. MPC will advise you if the spot-buy might interfere with a scheduled release, reviewing manufacturer stock and our replenishment cycle.

Shipping: Unless otherwise agreed to, published UPS/freight charges will apply and be added to the invoice. There are no additional handling charges. MPC will make every effort to package and bundle as effectively as possible to keep shipping costs to a minimum.

Shipping point: North Wales, PA

Payment terms: MPC standard terms are 2% 10, Net 30 days with approved credit. We are willing to make the financial commitment to ensure continuity in your company's operations and would greatly appreciate your making every effort to stay within terms. You may also pay by "COD preferred", or by credit card: American Express, Discover, MasterCard, and Visa are accepted.