

SAMSON ROPE TECHNOLOGIES, INC.
PURCHASE ORDER TERMS AND CONDITIONS

These terms and conditions shall exclusively govern the transaction(s) for the purchase of goods or services by Samson Rope Technologies, Inc. ("Buyer") from the vendor identified on the face of this Purchase Order ("Seller"). Any additional or different terms and conditions proposed by Seller shall be deemed rejected unless specifically accepted in writing by Buyer.

1. INVOICES. Invoices must be mailed by Seller immediately after shipment. Payment shall be deemed made subject to loss, rejection or adjustment for any shortage in quantity, failure to make specified delivery, defects, failure to comply with specifications or breach of any warranty or this Agreement, provided that such loss, rejection or adjustment shall not be an exclusive remedy of Buyer for any of the foregoing and Buyer's use of such remedy shall, not constitute a waiver of any other right, remedy or privilege Buyer may have hereunder or otherwise. When prepaid transportation charges are for Buyer's account, the invoice must be supported by receipts of prepaid freight bill(s).

2. CASH DISCOUNT. Cash discount periods shall be calculated from the date an acceptable invoice is received by Buyer or from the date receipt and acceptance of the goods or services, whichever is later, provided that acceptance is not unreasonably delayed.

3. TAXES. If this purchase is subject to sales or use tax as provided in this Paragraph 3, Seller shall set forth separately the amount of such taxes on the face of the invoice and Buyer shall pay same. Buyer shall not be responsible for such taxes and shall not pay such taxes unless set forth in such manner, provided, however, Buyer shall not be responsible for such taxes if Buyer indicates that such purchase is not subject to any such tax. In no event shall Buyer be responsible for any taxes imposed on Seller other than as provided for in this Paragraph 3.

4. INSPECTION & REJECTION Goods are received subject to inspection and approval and may be returned at Seller's expense if defective in any manner or not in compliance with this Agreement. Buyer's right to exercise any remedy hereunder, or otherwise, shall not be waived by Buyer's unloading or using non-conforming goods or by Buyer's not notifying Seller of any such defect or noncompliance after acceptance by Buyer. Seller shall bear all risks after notice of rejection. Duplicated shipment or overages may be returned to Seller freight collect without prior notice.

5. PACKING & CARTAGE

5.1 Unless otherwise agreed in writing by Buyer, no charge shall be allowed for packing, boxing, or cartage. Packages and invoices must show Buyer's purchase order number, gross, tare and net weights and/or quantities, and, where applicable, lot number and package number, and must be accompanied by packing list or weight sheet,

5.2 If carload or tank car shipment is involved in this order, upon shipment Seller shall immediately send notice thereof to Buyer showing car number and routing. Seller agrees to pay demurrage incurred as a result of Seller's failure to send shipping notice before the car arrives.

6. TOOLS, JIGS, DIES, MOLDS, ETC. All molds, dies, jigs, tools, artwork and related material or equipment

furnished to Seller by Buyer or specifically paid for by Buyer shall remain the property of Buyer, and Seller shall have no right, legal or equitable in such property. Seller shall be responsible for any loss or damage to such property until returned to Buyer. Seller shall return same to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted, upon Buyer's written request without charge to Buyer.

7. COMPLIANCE WITH LAWS. Seller shall comply with all applicable laws and governmental regulations which may in any way affect or be applicable to it, including without limitations, (i) the services or goods covered by this Agreement (ii) the furnishing by Seller of the goods or labor thereof, (iii) the prices charged by Seller or (iv) the payments to be made by Buyer therefor.

8. INFORMATION DISCLOSED TO BUYER. Any information which Seller shall have disclosed or may hereafter disclose to Buyer in connection with the purchase of the goods or services covered by this Agreement, shall not, unless otherwise specifically 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 for this Agreement.

9. INFORMATION DISCLOSED TO SELLER. All specifications, drawings, technical information and data (collectively, the "information") previously or hereafter furnished by Buyer to Seller in connection with the purchase of the goods or services covered by this Agreement shall remain the property of Buyer. The information shall not be used nor shall it be copied or duplicated in any manner, nor shall extracts be taken therefrom, for a purpose or use unrelated to work performed by Seller for Buyer without Buyer's prior written consent. The information shall be used only in the manufacture or production of goods or services for Buyer and shall be returned to Buyer whenever requested and, in any event, at the conclusion of the work. No information relating to this order shall be released other than to Seller's employees immediately concerned with the work hereunder who shall be instructed to comply with this Paragraph 9; without the advance written approval of Buyer.

10. CHANGES IN QUALITY. Seller shall notify Buyer in advance in writing of all changes in raw materials, feedstocks, processing operations, material specifications or other changes which could in any way affect the quality of the goods delivered under this Agreement. Changes in specification must be mutually agreed upon in writing and signed by Buyer and Seller.

13. WARRANTY

13.1 Seller warrants that it has good and marketable title to all goods delivered to Buyer hereunder, free and clear of all liens and encumbrances.

13.2 Seller warrants that the goods and/or services furnished hereunder shall conform to Buyer's specifications, the terms of this Agreement, and all applicable codes and standards and shall be of merchantable quality, free of all defects and fit for the particular purpose intended and shall be properly contained, packaged and labeled. Approval of design by Buyer does not relieve Seller of its responsibility for satisfactory performance of the goods and/or services furnished hereunder.

13.3 Seller warrants that the use or sale of the goods delivered hereunder will not infringe any patent. Seller shall indemnify and defend Buyer against any claim or liability for infringement of any patent relating to sale or use of the goods furnished hereunder or the intended use thereof and shall defend any suit for such infringement, provided however, that Seller shall make no settlement of any such claim or suit without Buyer's prior written consent. In the event that any suit for such infringement is brought, Buyer may be represented therein by counsel of its own selection, but at its own expense. Seller shall have the right to direct and control the defense of any such suit in a manner reasonably satisfactory to Buyer and with counsel reasonably satisfactory to Buyer.

14. REMEDIES

14.1 If Seller breaches any of its obligations to Buyer, in addition to the rights, remedies or privileges contained in this Agreement, Buyer shall, be entitled to all rights, remedies and privileges that may be available to it at law or in equity, including all remedies provided under the Uniform Commercial Code then in effect in the State of Washington, notwithstanding any provision in Seller's invoice or other form relating to this transaction which seeks to limit Seller's liability or Buyer's remedies, and shall be entitled to recover any expenses (including reasonable attorneys' fees) incurred by it in enforcing its rights hereunder,

14.2 In addition to any other rights which Buyer may have, Buyer reserves the right to cancel this order or any portion thereof, and hold Seller responsible, if the goods furnished pursuant to this Agreement or any shipments hereunder are defective in any manner or not in compliance with this Agreement or if delivery is not made when and as specified or within a reasonable time if not specified. Buyer may cancel this order or any portion thereof if Seller is adjudicated a bankrupt, files for voluntarily bankruptcy or is the subject of an involuntary bankruptcy petition that is not vacated within sixty days, if Seller makes any assignment for the benefit of creditors, if a receiver of the property of Seller is appointed, if action under any law for the relief of debtors is taken in respect of Seller, or if Seller admits in writing that it is insolvent or unable to pay any of its debts as they may become due.

14.3 Any claim made by Buyer under this Paragraph 14 or for indemnification as provided in this Agreement shall survive termination of this Agreement.

15. ENVIRONMENTAL INDEMNITY Seller agrees to indemnify and save Buyer harmless from any loss, cost, damage, expense, or liability, including attorneys' fees, in any way arising out of any injury, damage, destruction, or contamination to any person, property, or the environment, resulting from or connected with, or alleged to result from or be connected with, Seller's conduct pursuant to this Agreement.

16. INSURANCE COVERAGE Seller represents and warrants to Buyer that it maintains (and will maintain at all times while Seller is supplying goods to Buyer) Commercial General Liability Insurance, including Products Liability, in an amount reasonably acceptable to Buyer, but in no event less than \$2 million per occurrence, and Seller will provide to Buyer evidence of such insurance upon Buyer's request. In cases where Seller arranges for transportation of goods being purchased by Buyer, Seller shall require that each carrier of such goods maintains all legally required worker's compensation insurance as well as Comprehensive General Liability Insurance with a minimum of \$2 million per occurrence. All insurance policies required under this provision shall be occurrence policies and not claims made policies.

17. CONTINGENCIES

17.1 No liability hereunder shall result to either party from a delay in performance, nonperformance, or an acceptance of deliveries caused by circumstances beyond the reasonable control of the party affected, whether specifically enumerated herein or not, including, but no limited to, acts of God, force majeure, war, fire, accident or natural disaster, or by reason of any law, regulation other act of any governmental authority, including court orders or labor problems; provided, however, that the affected party shall promptly give written notice to the other party whenever such contingency becomes reasonably foreseeable, shall use its best efforts to overcome promptly the effects of the contingency, and shall promptly give written notice to the other party of the end of such contingency. Neither party, however, shall be required to resolve any labor problems in a manner which it alone does not deem acceptable.

17.2 If Seller and its affiliates, by reason of a contingency referred to above, are unable supply goods the same as or similar to the ones covered herein, in the quantities contracted for, Seller shall, and shall cause its affiliates to, allocate their actual production among themselves and their customers such a manner as is fair and reasonable within the meaning of the Uniform Commercial Code then in effect in the State of Washington. Deliveries omitted due to any excused contingency shall reduce by an equivalent quantity the quantity of the goods to be sold, delivered and purchased during the term of this Agreement.

17.3 The parties specifically agree that an increase in the price of raw materials, including crude oil and /or feedstocks, or the unavailability of raw materials, shall not

constitute either a contingency as described in this paragraph or an event of commercial impracticality.

18. APPLICABLE LAW The validity, interpretation and performance of this Agreement shall be governed by the laws of the State of Washington without giving effect to the conflicts of laws provisions thereof. Seller and Buyer agree that any litigation arising hereunder or related hereto shall be litigated in the courts located in the State of Washington. Buyer and Seller hereby irrevocably submit to the jurisdiction of any state or federal courts sitting in Washington in any action or proceeding arising out of or relating to this Agreement, and Buyer and Seller hereby irrevocably agree that all claims in respect of any such action or proceeding shall be heard and determined in such a court.

19. NON-WAIVER A waiver by either party of any breach or failure to enforce any of the terms or conditions of this Agreement, shall not operate as a waiver of any subsequent breach or failure to meet the requirements of any term or condition of this Agreement or in anyway affect, limit or waive such party's right at any time to enforce strict compliance with such term or condition or any other term or condition herein.

20. ENTIRE UNDERSTANDING

20.1 This Agreement shall mean only the Purchase Order, together with the terms and conditions on the face and set forth in this Exhibit A.

20.2 This Agreement sets forth the entire understanding of the parties and supersedes all prior understandings, negotiations, and dealings between the parties with respect to the purchase and sale of the goods or services covered herein. No agreement or understanding, oral or written, in any way purporting to modify the terms hereof, or changes in or additions to any of the terms hereof, irrespective of the wording of Seller's acceptance, invoice or trade custom, shall be binding upon either party unless contained in a writing expressly described as an amendment to or extension of this Agreement and signed by both parties.