

TERMS AND CONDITIONS

1. **Acceptance:** Sellers acceptance or performance of this order shall constitute acceptance on the Terms and Conditions set out herein. Any contract resulting from acceptance of this order is expressly limited to the Terms and Conditions set forth here. Any acknowledgement of this order or any Seller document including terms and conditions inconsistent with or in addition to Carter's Terms and Conditions shall not be binding upon Carter and Carter hereby objects to any such inconsistent or additional terms or conditions.
2. **Inspection:** All goods and services furnished pursuant to this order shall be subject to Carter's inspection, approval, and acceptance, notwithstanding prior receipt and payment, and if defective or not in accordance with Carter's specifications, may be rejected and returned, transportation both ways at Seller's expense; or, at Carter's option, may be replaced, repaired or corrected. Carter may, alternatively accept the same with a reduction in the purchase price, or exercise any other legal option. Carter shall not be forced to accept Seller credit rather than refund of the purchase price.
3. **Delivery: TIME IS OF THE ESSENCE.** Goods shall be delivered to the F.O.B. location as indicated on the front of this order or the most recent purchase order revision. Seller shall bear all risk of loss until Carter's acceptance of delivery at destination. If delivery is not made or performance is not completed within the time stated on this order, Carter has the right to cancel this order, or any portion thereof, without liability.
4. **Work on Carter's Premises:** The following apply to any work by Seller at Carter's premises: a) Seller is responsible for all legal obligations of employer as to its employees; b) Seller agrees to indemnify and hold Carter harmless, as well as Carter's directors, employees or agents of any kind, for any claims of damages or injury to any person or property arising from Seller's performance at Carter's premises by Seller's employees, agents, or subcontractors.
5. **Compliance With Law:** Seller represents, warrants and certified that the goods and services it furnishes hereunder were or will be produced and provided in compliance with all applicable state and federal laws and regulations or portions thereof, including but not limited to the Fair Labor Standards Act, and worker's compensation, insurance, and payroll tax requirements. Upon request, Seller will provide Carter with satisfactory certification of worker's compensation insurance.
6. **Proprietary Interests:** Seller represents and warrants that Carter's purchase, use or resale of the goods under this order will not cause actual or alleged infringement of any trade name, trademark, copyright, or patent. All property, including without limitation, tools, molds, jigs, models or information, furnished to Seller or paid for by Carter shall remain Carter's property and Seller shall not use it except to fill Carter's orders. All property given to Seller shall be returned to Carter when the order is filled, or on termination of this order for any reason, unless Carter directs Seller otherwise.
7. **Warranty:** Seller warrants that all goods and services provided pursuant to this order are of merchantable quality and free from defects in design, workmanship and materials. Seller warrants that all goods and services it provides are fit for the particular purpose describes by Carter and are in accordance with any specifications provided or approved by Carter.
8. **Indemnity Insurance:** Seller shall indemnify and hold Carter harmless from loss, liability, costs, expenses (including legal fees and expenses), damages and judgments arising out of or in conjunction with Seller's performance of this order, and/or arising from Seller's breach of any of its representations, warranties or other obligations in connection with this order. Seller shall maintain adequate insurance to cover Seller's obligations hereunder. Seller shall provide Carter with satisfactory proof of such insurance on Carter's request.
9. **Equal Opportunity:** This contractor and subcontractor shall abide by the requirements of 41CFR 60.1.4(a), 60-300.5(a), and 60-741(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on race, color, religion, sex, or national origin. Moreover, these regulations required that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex and national origin, protected veteran status or disability.
10. **Termination:** If (i) Seller breaches any term or condition, representation or warranty provided in this order or (ii) in Carter's sole judgment exercised in good faith, Carter determines that reasonable grounds for insecurity have arisen with respect to Seller's performance of this order, Carter may, in addition to any other legal remedy, terminate all or part of this order by written notice to Seller without any liability except for deliveries made prior to such notice. Carter may terminate all or part of this order at any time. Seller agrees that any cancellation charges due to Carter's termination without Seller's breach or grounds for insecurity will be limited to incurred costs of material and labor at the time of cancellation.
11. **Judicial Forum:** Seller agrees that any legal action involving this order or any agreement resulting from this order shall be brought in the Circuit Court of Salem, Virginia, or in federal court in the Western District of Virginia, Roanoke Division.
12. **Miscellaneous:** This order, with any documents expressly incorporated herein by reference, and any materials, specifications, drawings or other data Carter may supply, are intended by the parties as a final and complete expression of their agreement. Other prior agreements, written or oral, are superseded. Carter's wavier of the breach of any provision hereof, or failure, whether in connection with this order or through a course of dealing, to insist on strict performance or enforce any of the provisions hereof shall not constitutes thereafter a waiver of any of Carter's rights hereunder and the same shall remain in full force and effect. This order may not be amended except in writing, signed by both parties. Seller may not assign or delegate any of its right or obligations under this order without the prior written consent of Carter. This order and any contract of sale resulting from its acceptance shall be governed by and construed according to the laws of the Commonwealth of Virginia.

INSTRUCTIONS

1. Mail original and one copy of invoice at the time of shipper to Carter's Accounts Payable Department.
2. On all prepaid shipments chargeable to Carter attach transportation receipt to invoice.
3. Separate packing slips must be included in each shipment showing purchase order number, quantity, part number and description of goods therein.