

MASTER IMPLEMENTATION AGREEMENT

THIS MASTER IMPLEMENTATION AGREEMENT (the "Agreement") is made and entered into this ___ day of _____, 200_ by and between Goody's Family Clothing, Inc., a Tennessee corporation ("Goody's" or "Purchaser") and _____, a _____ ("Vendor").

RECITALS

- A. Goody's is engaged in the retail apparel business in various states.
- B. Vendor is engaged in the design, manufacture, and sales of apparel.
- C. Goody's and Vendor's desire to set up a procedure for the acquisition and sale of clothing through an electronic data interchange system ("EDI" or "EDI System").

In consideration of the recitals and the covenants and representations set forth herein, the parties agree as follows:

1. EDI PROVIDER

- a. Provider Contract. Goody's has entered into a contract with a third party Inovis (the "Provider") to facilitate the electronic transfer of information and to assist Goody's with universal product code scanning capabilities ("UPC"). Vendor has likewise entered into a contract with Provider to post and retrieve electronic information. For the purposes of this Agreement, the term "Provider" includes the existing Provider or a future provider, subject to Section 1.b. herein below.
 - b. Provider Election. Following ninety (90) days prior written notice, either party shall have the right to cease use of the Provider or to otherwise elect to engage another provider.
 - c. Provider Cost. Each party shall be responsible for any and all costs related to their respective contract with the Provider, including, but not including to, installation, maintenance and repair costs as well as any and all costs associated with the transmission of data and documents to the Provider through the EDI System.
2. **EDI SPECIFICATIONS**. All EDI communications between Goody's and Vendor through the Provider must comply with the Voluntary Inter-Industry Commerce Standard (VICS), a subset of the ASCX12 electronic data interchange standard (the VICS and ASCX12 electronic data interchange standard, are hereafter jointly referred to as the "Communication Standard"), as such Communication Standard is modified from time to time.

3. CONDITIONAL DOCUMENTATION

Simultaneous with execution of this Agreement, Vendor shall complete and deliver to Goody's the form attached hereto as Exhibit "A"- The Vendor Worksheet. (Exhibit "A" being hereafter jointly referred to as the "Conditional Documentation"). During the term of this Agreement, Goody's shall have the right, upon ten (10) days prior written notice, to delete, to modify or expand such Conditional Documentation, provided such deletion, modification or expansion does not materially affect the rights or obligations of Vendor.

4. ORDERS

- a. Purchase Order. During the term of this Agreement, Goody's may from time to time place a purchase order or purchase orders with Vendor through the Provider on the EDI System (the "Purchase Order(s)"). Any Purchase Order, including any termination, deletion, modification, or amendment of such Purchase Order must contain the appropriate code as designated from time to time by Goody's.
- b. Purchase Order Terms & Conditions. Each Purchase Order shall be subject to all of the terms and conditions attached hereto as Exhibit "B", (the "Terms and Conditions"). In the event of a conflict between the terms and conditions of this Agreement and the Terms and Conditions, the Goody's Purchase Order Terms and Conditions shall prevail.
- c. Vendor Acceptance of Purchase Order; Vendor Relations Manual. During the term of this Agreement, Vendor, on at least a daily basis, shall access the EDI System maintained by the Provider to determine whether Goody's has placed a Purchase Order. If Vendor receives a Purchase Order from Goody's through the Provider's System, Vendor shall notify Goody's through the EDI System within three (3) days of receipt of the Purchase Order (the "Receipt of Order"). The Purchase Order shall be accepted in all respects by the Vendor, unless the Vendor notifies Goody's through the EDI System within three (3) days after the Receipt of the Order that such Purchase Order or any portion thereof is unacceptable or is otherwise rejected. By accepting such Purchase Order, Vendor acknowledges that it: (i) has received the Goody's Vendor Relations Manual (the "Manual") and (ii) agrees to comply with the terms and conditions of such Manual. If the Vendor does not reject or otherwise claim that the Purchase Order or any portion thereof is unacceptable within three (3) business days after the Receipt of Order, the Purchase Order shall be deemed as fully accepted by Vendor. If the Purchase Order is unintelligible in form or substance, Vendor shall notify the Provider through the EDI System within three (3) days of Receipt of Order; if Vendor does not make such notification in this manner and time period, the Purchase Order shall be deemed accepted by Vendor.

5. SHIPMENT

The merchandise reflected in the Purchase Order shall be shipped and routed in accordance with the Terms and Conditions attached hereto.

6. LIMITATION OF LIABILITY

In no event shall either party be liable for any lost profits or any form of special, incidental, indirect, consequential or punitive damages arising out of or as a result of any delay, omission or error in the transmission of information or documents through the EDI System.

7. CONFIDENTIALITY

Each party agrees (i) to treat the other's information and data (jointly the "Confidential Information") transmitted to the Provider through the EDI System as proprietary Confidential Information to the other, (ii) that it will not knowingly disclose to any person or entity not a party to this Agreement, or use for its own or any such person's or entity's benefit, any Confidential Information belonging to the other party to the Agreement without that other party's prior written consent, and (iii) that it will use all commercially reasonable efforts to maintain the confidentiality of all Confidential Information of the other party to this Agreement and to prevent the unauthorized disclosure and dissemination of any of the Confidential Information. In no event will any party hereto use less care to maintain the confidentiality of the other party's Confidential Information than it uses to maintain the confidentiality of its own information of equal importance.

Confidential Information, whether or not described above, does not include information that (i) is or becomes known to the public without fault or breach on the part of the party to this Agreement seeking to disclose it, (ii) the owning party regularly discloses to third parties without restriction on disclosure, (iii) the party to this Agreement seeking to disclose it receives from a party other than a party to this Agreement without restriction on disclosure and without breach of a nondisclosure obligation, or (iv) is required by legal process to be disclosed; provided however, that the party receiving such process will notify the other party prior to such disclosure and will take such reasonable steps as the other party may request to protect the confidentiality of the Confidential Information.

8. MISCELLANEOUS PROVISIONS

- a. Independent Contractor. This Agreement does not constitute or appoint either party as an agent of the other party. Vendor is an independent contractor hereunder, and Goody's shall not be liable for the debts, accounts, obligations or other liabilities of the Vendor, including, with limitations, any costs for salaries, benefits, overhead, materials, transportation or communication. Without limiting the generality of the foregoing, neither Vendor nor Goody's shall represent, either directly or indirectly to any person, firm or other entity or organization that it has the authority to bind the other.
- b. Entire Agreement. This Agreement and each of the Exhibits attached hereto (which are each hereby made a part hereof by this reference) constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersede all prior oral and written agreements. No additional or different terms contained in any purchase order, confirmation of order, acknowledgement of order or other document hereafter delivered by any party hereto to the other party hereto shall be binding on the recipient of such document and the parties hereby expressly reject any and all such terms as material alterations to this Agreement in each case unless such terms are agreed to in writing by the parties.
- c. Amendment. This Agreement may not be amended or modified except by a further written agreement signed by Vendor and Goody's.

- d. Waiver. No failure or delay on the part of either party hereto in exercising any of its rights or remedies pursuant to the terms and provisions of the Agreement shall operate as a waiver thereof. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or of any other right or remedy. No provision of this Agreement may be waived except in a writing signed by the party granting such waiver.

- e. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Neither party hereto shall sell, transfer, lease, assign, pledge, mortgage, hypothecate or otherwise dispose of any of the rights, privileges, duties, and obligations granted or imposed upon it under this Agreement; provided, however, that, notwithstanding anything to the contrary set forth in this Agreement, Goody's shall have the right, without the prior consent of the Vendor, to assign its rights, duties and responsibilities under this Agreement (including any Purchase Order) to any affiliate of Goody's. An affiliate of Goody's means any corporation, partnership, or other business entity which controls or is controlled by, or is under common control with Goody's. Without limiting the generality of the foregoing, in no event shall Vendor delegate to any third party the responsibility for the performance of any of its duties and responsibilities under the terms and provisions of the Agreement.

- f. Notices. Unless otherwise specified in this Agreement, all notices and other communications permitted or required by the provisions of this Agreement shall be in writing and shall be mailed, telecopied, faxed, telegraphed, telexed or delivered to the other party at the address shown below (or at such other address as either party may designate in writing to the other party during the term of this Agreement) and shall be effective and deemed received (a) if mailed, on the date on which the same is deposited into the United States mail, postage pre-paid, (b) if telecopied or faxed, when received, (c) if telegraphed, when delivered to the telegraph company, (d) if telexed, when dispatched and confirmation of message is received, or (e) if personally delivered, when delivered.

IN WITNESS WHEREOF, the parties hereto have caused the MASTER IMPLEMENTATION Agreement to be executed by their duly authorized officers in the day and year first written above.

Goody's Family Clothing, Inc.

[VENDOR]

EXHIBIT “A”

VENDOR WORKSHEET

BASIC QUALIFICATION AND START-UP

1. Do you use UPC-A bar codes?
2. Can you supply us with a UPC directory of styles on the QRS Catalog service?
3. Do you segregate the UPC codes by Division, Classification or Group?
4. Is the UPC number printed under the bar code in human readable format? If yes, does this add on to the time of shipping? If not, can the DC apply gum stickers?
5. Do you cross-reference UPC codes to styles or SKU?
6. Is an identifiable style number printed on your ticket?
7. How many digits is the style number that appears on your ticket?
8. What **kinds** of quality control checks are done on the UPC tickets?
9. What ID number will use to identify yourself?
10. Do you have a tape and paper file of your UPC's? Do you have it for only the styles we carry?
11. If inventory counts have to be taken just prior to going live; will you support this process?
12. Do you suggest starting off with a few styles? Which ones?
13. Do you (the vendor) supply reports? What kind?
14. What level of VICS/ANSI standards do you use? Support?
15. What is the best day (of the week) for transmission? What is the best time of the day for transmission?
16. How long do you recommend parallel testing of the system?
17. How frequently are UPC's added and or deleted?

REPLENISHMENT (Work with buyers to complete)

18. Do you have a Model Stock Program?
19. How or when do we model stocks?
20. How does the model handle promotional orders?
21. How does model stock handle transfers/Customer returns?
22. If we send Sales Transmissions, how often will orders be generated? What is your replenishment cycle (every 1,2,4,6 weeks)?
23. If we send Purchase Order Transmissions, how often will orders be processed? What is your replenishment cycle (every 1,2,4,6 weeks)?
24. What are the minimum order requirements?
25. How will the minimum order requirement affect replenishment of a model?
26. How many hours from receipt of sales information (or later from generation of an order) will the merchandise be shipped? What is your service goal- (example 72 hours turn-around)?

QUICK RESPONSE/EDI VENDOR PROFILE

Vendor: _____
 Internal Vendor Number: _____

Buyer: _____
 Department: _____

Vendor Contact Information:

Sales Rep: _____
 Phone: _____
 FAX: _____

Operations Contact:

Phone: _____
 FAX: _____
 Address: _____

EDI Contact:

Phone: _____
 FAX: _____
 Email: _____

Remittance Information:

Company Name: _____
 Mailing Address: _____

AR Contact:

Phone: _____
 FAX: _____

Return Contact:

Name/Phone: _____
 FAX: _____
 E-Mail: _____

Warehouse Information:

Contact: _____
 Shipping Point: _____

 Phone: _____
 FAX: _____

EDI Documentation:

* Please indicate which document(s) in VICS4010 standard you support

<i>Version</i>	<i>Transaction Set</i>
_____ 810	Invoice
_____ 850	Purchase Order
_____ 852	Product Activity
_____ 856	Advance Ship Notice
_____ 860	PO Change/Cancellation
_____ 997	Functional Acknowledgement

1. Which EDI Network do you use? _____ Qualifier/Sender ID: _____
2. Can you provide a UCC-128 Serial Shipping Container on ALL cases? _____
3. Can you apply floor ready UPC tickets to all merchandise? _____
4. Can you process blanket and release Purchase Orders: _____
5. Can you process full case pre-pack shipments through EDI? _____
6. Can you process bulk (non-store-specific) shipments via EDI? _____
7. Can you process "Pack By Store" shipments? _____
8. Can you provide an invoice number on the ASN? _____
9. Can you return a Goody's defined PK # or PO line # on the ASN? _____
10. Do you require a minimum number of units per carton? _____
11. What is your catalog ID/Type (QRS, GEIS or Partner)? _____
12. Is your computer system capable of producing EDI files that meet Goody's Guidelines? _____
 url = <http://www.goodysonline.com/vendors/techrequirements.htm>
13. Do you prefer net cost or original cost on EDI Purchase Orders? _____

* If no, you must have a unique reference # in the REF*VN segment on both the ASN and PO

14. Is your company AS2 capable? _____

Please explain how you build your ASN's? For example, do you scan the merchandise it goes into the carton or is the ASN built after all the cartons are packed?

EXHIBIT "B"

PURCHASE ORDER TERMS AND CONDITIONS

I. PAYMENT PROVISIONS

- A. **Billing Dates.** On end of the month ("EOM") datings merchandise shipped on or after the twentieth (20th) of the month will be paid for as though shipped on the first of the following month and invoices for merchandise shipped before the twentieth (20th) of the month which are not received prior to the last day of the month will, for payment purposes, be dated the first day of the following month. On ten (10) day billing datings, all shipments made according to Purchaser's shipping schedule begin on the date of receipt of invoice or merchandise, whichever is later.
- B. **Advance Shipments.** On all shipments made in advance of specified shipping dates, terms will be computed from the specified shipping date, and any extra expense caused by the Vendor's advance shipment will be charged to the Vendor.
- C. **Non-Payment Claims.** Any claims for non-payment of an invoice or non-receipt of merchandise returned to the Vendor by Purchaser, on which Purchaser has agreed to hold title in transit, must be sent to Purchaser via certified mail at least ninety (90) days before which a claim must be filed with the involved carrier.
- D. **Proof of Delivery.** Upon receipt by Purchaser, Vendor will provide proof of delivery in the form of the bill of lading or carrier's delivery receipt at least ninety (90) days prior to the date a claim must be filed with the involved carrier.
- E. **Setoff or Counterclaim.** Neither this Purchase Order nor any rights or duties hereunder may be assigned by the Vendor without the prior written consent of Purchaser. All claims for monies due soon or to become due to Purchaser are subject to payment by setoff or counterclaim from this Purchase Order or any other of Purchaser's Purchase Orders with the Vendor.
- F. **Bankruptcy.** In the event of any proceeding, voluntary or involuntary, in bankruptcy or under any other insolvency laws, federal or state, by or against the Vendor, or in the event of the appointment with or without the Vendor's consent of assignee for the benefit of creditors or of a receiver of all or substantially all of the assets of the Vendor, the Purchaser may at its option cancel any unfilled part of the Purchase Order without any liability whatsoever save and except for the purchase price of the merchandise shipped in accordance with the terms hereby and prior to such cancellation.

II. SHIPPING, PACKING, and INVOICE REQUIREMENTS

1. Shipping Requirements

Each shipment must conform to the following parameters:

- a. The merchandise shall be sold to Purchaser F.O.B. at a warehouse designated by Purchaser.
- b. Pack each carton as specified by the Purchase Order: whether bulk, pre-pack, or by store.
- c. Packing slips are to be affixed to the outside of the lead carton of each Purchase Order noting Purchase Order Number, number of cartons shipped for the Purchase Order, shipment summary including size by color breakdown, and any style substitution noted on the packaging slip.
- d. Cartons must be marked as follows: Purchase Order Number, Style Number, color or assorted color as directed by Purchase Order, size or prepack/store assortment as directed by Purchase Order, quantity, carton number within Purchase Order, ample marking as to each lead carton.
- e. Bills of lading are to include cartons shipped per Purchase Order, and the carrier is to be instructed to include such information in the Description Section of the Freight Bill.
- f. When shipping garments on hangers, follow Purchaser's specific hanger guidelines.
- g. Packing slips are to be affixed to the lead carton of each Purchase Order noting: Purchase Order Number, number of cartons shipped for that Purchase Order, shipment summary including prepack breakdown by color, any style substitutions noted on the packing slip.
- h. Cartons are to be minimum – Size L 12" X W 8" X H 4" and weight 3 lbs.
Cartons are to be maximum – Size L 36" X W 24" X H 30" and weight 50 lbs.
- i. Pack only one style in a carton, unless specified for pre-ticketed store packs. As referenced by the Purchase Order, shipments are to be tendered to carrier, as Purchaser does not pay for single shipments, or inside pickup charges. Failure to route your LTL ("Less Than Truckload" Shipment) as requested, or failure to meet any of the shipping requirements listed in these Terms and Conditions and in the Routing Guide found within the Vendor Relations Manual, will result in freight chargebacks at the costs listed in the "Offset Expense Charges" section found in the Vendor Relations Manual.

- j. Invoices are to be mailed the day of shipment to :
GOODY'S FAMILY CLOTHING, INC.
ATTN: TRADE PAYABLES
P.O. BOX 22000
KNOXVILLE, TN 37933-2000
(EDI invoices are to be transmitted per EDI instructions.)
- k. Questions regarding shipment call:
Traffic: (865) 966-2000 Ext. 1168
- l. **Air Freight.** Shipment by air must be authorized in the Purchase Order. If Purchaser pays the freight ship collect, the Vendor shall not prepay and add to invoice except for UPS charges. Items shipped by air with freight charges C.O.D. will be refused by Purchaser.
- m. **Special Instructions.** Vendor shall not add to invoices insurance or handling charges for UPS shipments; any such charges will be deducted by Purchaser.
- n. **Late Shipments.** Shipments received after "Cancellation Date" will be treated as tender of non-conforming merchandise and WILL BE REFUSED AT PURCHASER'S DOCKS. Purchaser's schedules are based upon the agreement that the merchandise will be delivered to Purchaser by the dates specified on the Purchase Order. Time is therefore of the essence and if merchandise is not delivered within the time specified on the Purchase Order, Purchaser may reject such merchandise and cancel such Purchase Order. The acceptance of late or defective deliveries shall not be deemed a waiver by Purchaser of its right to cancel any Purchase Order, or to refuse to accept further deliveries.
- o. **Failure to Follow Instructions.** Any defects or variations in pack, style, size or color will be treated as tender of non-conforming merchandise and is subject to refusal at dock and will be treated as per Purchaser's Offset Expense Policy.

III. TRANSPORTATION PROVISIONS

- A. **One Bill of Lading.** All shipments consigned to the same bill of lading destination on one day must be combined and shipped on a single bill of lading, irrespective of departmental variance. This also applies on shipments to a freight consolidator. Include the bill of lading on the outside of the Lead Carton of each shipment.
- B. **Tender of Non-conforming Merchandise.** Vendor will reimburse Purchaser for any freight and other expenses including, but not limited to, handling or storage charges incurred as a result of Vendor's failure to comply with routings or other specifications set forth in Purchase Order.
- C. **Designated Routing is Mandatory.** No changes may be made without approval of the Purchaser's Traffic Department. Shortage, loss or damage on shipments which move via other than routes specified by Purchaser Routing Instructions will be the responsibility of the Vendor.
- D. **Lowest Valuation and Classification.** All commodities or shipments subject to released rates must be released to be the value that will result in the lowest transportation charges. If carrier's charges are based on packing, strapping, designation of destiny, or any other provision or description relating to the classification or rate on Vendor's merchandise, such notation must be made on the bill of lading to secure lowest transportation cost. Vendor's failure to do so will result in charge back of the difference in freight charges.
- E. **Effect of Payment Provisions.** The provisions for payment of transportation charges apply to price only and have no effect upon passage of title or risk of loss. Until Purchaser inspects the merchandise and accepts it, there shall be no delivery. Delivery of the merchandise to Purchaser, after inspection, shall not release or discharge Vendor from liability in damages or any other legal remedy from breach of contract or warranty, express or implied, with respect to the merchandise ordered thereunder.
- F. **Returns to Vendor.** All risk of loss, filing of claims, freight charges and charges for storage, handling, and detention on Vendor's merchandise returned by Purchaser to Vendor is the responsibility of Vendor. If Vendor refused to accept return of merchandise or such merchandise is returned to Purchaser for any other reason, Vendor has full responsibility regardless of terms of sale or passage of title.
- G. **Special Instructions.** Vendor shall not add to invoices insurance or handling charges for UPS shipments; any such charges will be deducted.

IV. ROUTING INSTRUCTIONS

- A. Shipments to Consolidator.** From the NY/NJ Commercial zone (*zip codes 070-079, 087-089, 100-119*), when routed to **Triangle Transport** by Goody's Traffic Dept., contact Triangle Transport for a pickup at Vendor's expense (it is the vendor's responsibility to arrange and pay for the pickup by Triangle):

Triangle Transport

84 Harbor Dr.

Jersey City, NJ 07305

(201) 332-3333 x210

Contact: Joan Caputo- Goody's Executive Rep

For Pickups (**after obtaining an appointment # from Goody's Traffic**), please contact:

Within the Commercial zone: 201-985-0300 (prompt #6 for Customer Service)

Shipments from zip codes 080-086, 170-179, 184-188, 189-196:

Call Triangle Transport (Burlington, NJ) 609-526-9180 609-747-0535 fax

For shipments outside of the NY/NJ Commercial zone that are routed to Triangle Transport by Goody's Traffic, contact Triangle Transport for a pickup to be paid for by Goody's.

NOTE: All vendors routed to Triangle Transport must contact Triangle for a pickup. Vendors who deliver to Triangle via any other methods will be assessed a SE-37 non-compliance chargeback (\$50 + actual charges from Triangle).

Shipping labels must be addressed as follows:

Goody's Designated DC

Street Address

City, State, Zip Code

Goody's still requires vendors to request routing at least 48 hours before the Purchase Order Cancel Date which in turn provides Triangle 24 hours advance notice on Pickup requests. Any time your shipment is not ready on the requested pick up day, Triangle will void the assigned dispatch record/confirmation number. The vendor must in turn create a new pickup record for the same shipment (contact Triangle again).

*** REMINDER*** You must have an appointment # and routing instructions issued by Goody's Traffic Department before contacting Triangle Transport.

- B. Special Directions.** From all other points not served by our consolidator ship as follows: (including Tennessee intra-state shipments)

* 0-125 lbs. Via UPS GROUND, Maximum 14 cartons. **Charge UPS freight through the Goody's UPS Account # 1938X8** (You do not need to contact Goody's Traffic for these shipments).

- Over 125 lbs. and/or 15 or more cartons- follow the Vendor Relations Manual. On shipments of this type, you **MUST** contact the respective Traffic Office for specific routing instructions. See Routing Guide- Page 3- Items E & F.

V. GENERAL PROVISIONS

- A. **Vendor's Acceptance.** Vendor must notify Purchaser in writing that it intends to reject or otherwise refuse to honor this Purchase Order within three (3) days of receipt of this Purchase Order. Otherwise, Vendor will be deemed to have recognized the existence of a binding obligation to ship merchandise to Purchaser in conformance with this Purchase Order. Unless otherwise notified by Vendor, Purchaser is entitled to expect full performance by Vendor and receive the merchandise by the Cancellation Date.
- B. **Acceptance Limited.** The offer to purchase merchandise contained in the Purchase Order is expressly limited to the terms and conditions herein stated, and except as provided in the preceding paragraph, it is a condition of this Purchase Order that any provisions printed or otherwise contained in any acknowledgement by Vendor hereof, inconsistent with or in addition to the terms and conditions herein stated, and any alteration in the Purchase Order, shall have no force or effect.
- C. **Acceptance Expressly Conditional.** If this Purchase Order is deemed an acceptance by Purchaser of a prior offer by Vendor, such acceptance is expressly made conditional on assent by Vendor to the terms and conditions herein stated. Any additional or different terms in Vendor's prior offer or any attempt by Vendor to vary in any degree any of the terms and conditions of this Purchase Order are objected to and automatically rejected by the Purchaser.
- D. **Purchaser's Commitment.** Purchaser is not committed to purchase any merchandise or services except in such quantity and at such price as may be set forth in this Purchase Order or on a separate "Purchase Order Change" issued hereunder. Separate "Purchase Order Changes" shall reference this Purchase Order by number and, when issued, shall become part hereof, including all conditions hereof.
- E. **Indemnification.** Vendor hereby agrees to defend, protect, indemnify, and hold harmless Purchaser and Purchaser's successors, assigns, agents, and customers, including Purchaser's distributors and dealers, against and in respect of any and all claims, actions, liabilities, damages, losses, costs, and expenses, including attorneys' fees, arising out of or incident to the performance of this Purchase Order and the merchandise related thereto.
- F. **Waiver.** Neither Purchaser's delay in exercising or Purchaser's failure to exercise any rights hereunder, nor Purchaser's acquiescence in or waiver of Vendor's breach of any term, provision, or condition of this Purchase Order shall be deemed or construed to operate as Purchaser's continuing waiver of any such right.
- G. **Applicable Law.** The Purchase Order shall be construed and enforced in accordance with the laws and in the courts of the State of Tennessee. Vendor and Purchaser specifically consent to the exclusive jurisdiction of the courts of Knox County in the State of Tennessee for any court action or controversy relating to the Purchase Order.

- H. Limitation on Purchaser's Liability/Statute of Limitation.** Any legal action against Purchaser based on Purchaser's alleged breach of its obligations hereunder must be commenced within two years after the cause of action has accrued. In no event shall Purchaser be liable for anticipated profits or for any special, incidental, or consequential damages relating to such breach. Purchaser's liability for any such breach shall in no case exceed the price allocable to the merchandise or services or unit thereof which gives rise to the claim. Purchaser shall not be liable for penalties of any kinds.
- I. Recovery of Attorney's Fees.** Purchaser may recover from the Vendor, as damages, any attorney's fees and costs incurred by Purchaser to enforce its rights and remedies under this Purchase Order.
- J. Enforceability.** If any provision or clause of this Purchase Order is held invalid, the remainder of the Purchase Order shall be enforced without the Invalid provision or clause.
- K. Headings.** The paragraph headings contained in this Purchase Order are for convenience only and are not to be relied upon to interpret this Purchase Order.
- L. Entire Purchase Order.** The terms contained in this Purchase Order and any releases, specification, and other documents incorporated by Purchaser into this agreement by reference shall constitute the entire agreement between Purchaser and Vendor.