

TERMS AND CONDITIONS

PRICING

1. Prices are based on current cost basis and are subject to revision.

TAXES

2. The prices quoted are exclusive of any present or future Federal, State, Municipal or other Sales or Use or Excise Tax with respect to the products provided hereunder. If SELLER is required to pay or collect any such tax on account of this transaction, then such amount of tax shall be paid by the BUYER in addition to the charges herein provided for. If subsequent to the delivery of the tools or machining services sold hereunder the SELLER is required to pay sales or use tax to the State of Ohio or any other state. BUYER shall immediately reimburse SELLER for the amount of said sales or use tax.

SPECIFICATIONS & PRACTICES

3. All products shall be furnished subject to SELLER's standard manufacturing specifications and practices. Any change in SELLER'S standard manufacturing specifications or practices requested by BUYER will be subject to approval by SELLER. All affected provisions of the Contract resulting from said change(s) including, but not limited to, the price and shipment date shall be subject to the mutual agreement of the parties.

CANCELLATION BEFORE SELLER COMMENCES PERFORMANCE

4. It is necessary for SELLER to reserve a portion of its manufacturing facilities to perform the Contract and cancellation of the Contract by the BUYER prior to SELLER commencing performance results in substantial damage to SELLER, the exact amount of which is difficult to determine. Therefore, it is agreed that if BUYER cancels the Contract before SELLER had commenced performance, BUYER shall pay SELLER liquidated damages in the sum of ten percent (10%) of the Contract price.

PARTIAL OR SUBSTANTIAL PERFORMANCE BY SELLER

5. In the event BUYER cancels the Contract after SELLER has commenced performance and before SELLER has substantially performed the Contract, BUYER shall pay SELLER for partial performance an amount which shall be equal to the sum of completed labor at SELLER'S prevailing shop rate, purchased material, and services as cost plus ten percent (10%) and a cancellation charge of ten percent (10%) of the unfinished portion of the Contract.

DELAYS

6. Dates of delivery are determined from the date of acceptance of this offer and are estimated dates of delivery, not a guaranty of a particular day or delivery. The SELLER shall not be liable for any expense, loss, or damage resulting from delay or prevention of performance caused by fire, floods, Acts of God, strikes, labor disputes, labor shortages, inability to secure labor or materials, riots, thefts, accidents, acts or failure to act by Government or BUYER, transportation delays, or any other cause whatsoever, whether similar or dissimilar to those enumerated above, beyond the reasonable control of the SELLER which may prevent SELLER'S performance hereunder.

LAWS AND REGULATIONS

7. Should any federal, state, or local law require changes to be made in the SELLER'S production specifications and or practices, the SELLER shall so notify BUYER; on receipt of said notice the contract price, schedule for shipment, and other affected conditions of the Contract shall be adjusted accordingly.

RISK OF LOSS

8. Risk of loss to the products called for and furnished under the terms of this Contract shall pass to the BUYER upon delivery of the product or any portion thereof to a common carrier at point of origin. In the event that SELLER transports the products, risk of loss shall pass to BUYER at time of delivery at point of destination.

WARRANTY

9. The SELLER shall at its option either repair or replace F.O.B. point of shipment or credit the BUYER (with the price paid to SELLER by BUYER for such nonconforming part) for any part of the product or products which, prior to the expiration of ninety (90) days from the date of shipment, fail to conform to the dimensions and/or materials specified in the order, provided the BUYER properly stores the product(s) and promptly notifies SELLER of such nonconformity. ALL OTHER WARRANTIES EITHER EXPRESSED OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR TRADE CUSTOM, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED FROM THIS CONTRACT. The sole liability of the SELLER and the exclusive remedy of the BUYER arising out of the manufacture, sale, or furnishing of the product or products hereunder or their use, whether arising under warranty, tort (including negligence), or otherwise, shall be limited to the cost of repair or replacement as herein specified. The SELLER shall not be responsible for work done, products or parts furnished, or repairs made by others, unless the work is specifically ordered by the SELLER for the fulfillment of the Contract. SELLER's maximum liability hereunder arising from any cause shall not exceed the Contract price.

RETENTION OF TITLE

10. SELLER retains title to all tools, fixtures, and electronic data incident to SELLER'S performance of the Contract. BUYER shall have title to all designs incident to the Contract.

CREDIT APPROVAL

11. Shipments, deliveries, and continued performance of work shall at all times be subject to the approval of the SELLER'S Credit Department. The SELLER may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon terms and conditions satisfactory to SELLER. Should BUYER fail to comply with the conditions imposed by SELLER then SELLER may terminate the Contract and BUYER shall not have any cause of action or be entitled to any offset, counterclaim, or recoupment against SELLER by reason of such termination or action.

ADDITIONS, MODIFICATIONS & REPAIRS

12. SELLER'S sole liability for nonconforming or defective additions to, modifications to, or repairs to BUYER'S products shall be to repair or replace the nonconforming addition, repair, or modification or in failure thereof. SELLER'S liability shall be the price paid or to be paid to SELLER by BUYER.

SPECIAL, INCIDENTAL & CONSEQUENTIAL DAMAGES

13. In no event shall the SELLER be liable for special, incidental, or consequential damages whether arising under contract or tort (including negligence) or otherwise, for any claims, losses, expenses, or damages whatsoever, whether direct, special, incidental, consequential, or otherwise resulting directly from the use of, or inability to use the products sold hereunder, including, but not limited to, loss of profits, increased operating costs, loss of production or shutdown of operation, cost of money, loss of use of revenue, or otherwise, and liabilities, claims, and expenses of third parties

LIMITATION OF LIABILITY – CUSTOMER FURNISHED MATERIAL

14. SELLER'S liability shall be limited to the cost of processing / machining the part / tool. BUYER takes full financial responsibility for any lost/unusable raw materials costs, due to any/all discrepant/scrapped parts/tools. SELLER takes full responsibility for any lost labor costs, due to any/all discrepant/scrapped parts/tools.

PATENTS

15. BUYER shall defend SELLER at BUYER'S expense and pay costs and damages awarded in any suit brought against SELLER for infringement of any letters of patent by reason of use of such designs, processes, or formulas supplied by BUYER, provided SELLER promptly notifies BUYER in writing of any claim of or suit for infringement.

GOVERNING LAWS

16. This contract shall be construed in accordance with the laws of the State of Ohio.

CONTRACT INFORMATION

17. BUYER and SELLER AGREE that this quotation, including the foregoing terms and conditions shall constitute the complete and final agreement between BUYER and SELLES in respect to this transaction. There are no understandings between the parties hereto except as expressly provided herein and any purchase order issued subsequent hereto shall be for record and billing purposes only and any and all conditions of said purchase order which vary from the terms herein are herby expressly objected to. None of the terms and conditions contained in this quotation may be added to, modified, superseded, or otherwise altered by a written instrument signed by an authorized representative of SELLER.