



## TERMS AND CONDITIONS

**PRICE:** The prices quoted or agreed upon shall be adjusted to Seller's prices in effect on date of shipment, including any published surcharges. Base prices apply to base quantities and except as specifically otherwise provided, are subject to deductions and additions in accordance with schedules in effect on date of shipment. All base prices are also subject to Seller's published extras with additions thereto or discounts therefrom, and net packaging charges where applicable.

**FREIGHT TERMS:** Stated freight terms will be F.O.B. Seller's mill, freight charges collect, unless otherwise agreed.

**TERMS OF PAYMENT:** Unless otherwise specified on the face thereof, terms of payment are as follows:

**APPROVED ACCOUNTS:** Terms shall be net cash within thirty (30) days from date of invoice or one-half of one percent discount for cash for payment of invoices dated the first to the fifteenth of the month, inclusive, if paid on or before the twenty-fifth of the month, and for invoices dated the sixteenth to and including the last day of the month, if paid on or before the tenth day of the following month. All invoices will be dated the day of shipment.

**ALL OTHER ACCOUNTS:** Terms of payment shall be subject to Seller's approval and receipt of satisfactory security or cash before shipment. All invoices will be dated the day of shipment. If, in the opinion of the Seller, the financial responsibility of Buyer becomes unsatisfactory or impaired, or if Buyer fails to make any payment when due, then, in any such event, Seller may defer or decline to make any further shipments to Buyer except upon receipt of satisfactory security or cash payments in advance, or it may terminate the contract.

**ACCEPTANCE AND CANCELLATION OF ORDERS:** Orders are accepted by Seller only by the execution by Seller at its principal office in Belding, Michigan, of Seller's standard purchase order acknowledgment and the mailing or delivery thereof to Buyer. Buyer's order constitutes a firm order and can only be cancelled by Buyer with the written consent of Seller executed by Seller at its principal office in Belding, Michigan, and mailed or delivered to Buyer.

**WARRANTY AND LIMITATION OF LIABILITY:** Seller warrants that the items furnished to Buyer under the purchase orders referred to on the face of this acknowledgment will be free from defects in material and workmanship and in accordance with the Applicable Prints and Specifications. "Applicable Prints," as herein used, shall mean blueprints furnished by Buyer or approved in writing by Buyer, or, in the absence of either of these blueprints of Seller for the item ordered. "Applicable Specification," as herein used, shall mean the specifications referred to on the face of this acknowledgment which, unless otherwise specifically stated, shall be the standard commercial specifications. (THIS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND AS TO EACH ITEM FURNISHED IS LIMITED TO A PERIOD OF SIXTY (60) DAYS FROM THE DATE OF SHIPMENT OF SUCH ITEM. SELLER'S LIABILITY UNDER THIS WARRANTY IS LIMITED TO REPLACING OR REPAIRING, WITHOUT CHARGE, ANY ITEMS WHICH IN SELLER'S OPINION ARE DEFECTIVE OR, AT THE OPTION OF SELLER, PAYING OR CREDITING BUYER WITH THE PURCHASE ORDER UNIT PRICE THEREOF, AND IS CONTINGENT UPON BUYER'S

NOTIFYING SELLER OF ITEMS BUYER CLAIMED TO BE DEFECTIVE, IMMEDIATELY UPON THE DISCOVERY OF SUCH DEFECT BY BUYER AND BUYER'S HOLDING SUCH ITEMS SUBJECT TO SELLER'S DIRECTION AS TO DISPOSITION TO BE MADE THEREOF, WHICH SELLER WILL GIVE BUYER WITHIN TEN(10) DAYS AFTER RECEIPT OF NOTICE FROM BUYER OF THE CLAIMED DEFECTS. SELLER SHALL NOT BE LIABLE FOR LOSS OR DAMAGE DIRECTLY OR INDIRECTLY ARISING FROM THE USE OR SALE OF ANY ITEMS FURNISHED TO BUYER, INCLUDING BUT NOT LIMITED TO INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES.) Items claimed by Buyer to be defective and returned to Seller at Seller's direction for inspection by Seller at its plant and found by Seller not to be defective will be returned to Buyer at Buyer's expense, including transportation charges both ways.

CLAIMS: Upon arrival of items at point of destination, Buyer shall examine same, shall decline to receive shipments which are either incomplete or damaged until the local agent of the carrier notes in writing on the face of the freight bill the exact shortage or damage or both, and shall notify Seller in writing within ten (10) days thereafter of any claim for shortages or patent defects therein not occurring in transit, and give Seller the opportunity to verify such claim. If Buyer fails to so notify Seller, Seller shall not be liable for any such claim. Buyer shall assert all claims for damages or losses in directly against the carrier. No material shall be returned without the Seller's consent.

PERMISSIBLE VARIATIONS: Unless otherwise specified and agreed upon, all materials shall be furnished subject to the Seller's standard practices, tolerance and variations. The Seller reserves the privilege of shipping overages or underages of weight, length, size, and/or quantity in accordance with such of the Seller's standard practices as may be applicable to the material to be furnished on account of this order.

FITTING-UP CHARGES: Any fitting-up charges are to cover the cost of the necessary tools and fixtures required for the particular work. Such tools and fixtures will remain the sole property of the Seller and in Seller's possession. There will be no additional charge for their upkeep or replacement, but if at any time, a period of two years has elapsed since the receipt of any order from Buyer requiring the use of such tools and fixtures, Seller may thereafter make any such use or disposition of such tools and fixtures as Seller desires without any accounting to the Buyer for such use or disposition, or the proceeds thereof unless otherwise mutually agreed upon. Terms on tools, fixtures and fitting-up charges are net cash.

TAXES: Buyer shall be responsible for any taxes on the sale, purchase, delivery, storage, processing, use or consumption of any of the goods. Any such taxes paid by Seller will be added to the purchase price.

RESPONSIBILITY FOR NON-PERFORMANCE OR DELAY: Seller shall be relieved from all liability for failure to make, or delay in making, deliveries under Buyer's order, when such failure or delay is due to causes beyond Seller's control and without Seller's fault or negligence, including but not restricted to strikes, labor troubles or disputes, labor shortages, inability to obtain necessary material, fires, floods, stoppages in transit, direct or in-direct acts of the government (including but not restricted to priority, limitation or allocation orders), war, sabotage, acts of God or the public enemy, or other similar causes beyond Seller's control.

NON-WAIVER OF DEFAULTS: Failure of either party at any time to require performance of any provision herein contained shall not affect the right to require full performance thereof at any time thereafter, and the waiver by either party of any such provision or any breach thereof shall not constitute a waiver of any other provision, nor shall such waiver be deemed a waiver of a subsequent breach thereof or nullify the effectiveness of such provision.

ENTIRE AGREEMENT: The entire agreement of the parties with respect to the subject matter hereof, is contained in this Agreement. There are no other understandings, agreements, representations or warranties, express or implied, not specified herein. Any terms and conditions of any purchase order or other instrument issued by Buyer in connection with its order which are in addition to or inconsistent with the terms and conditions of this Agreement, will not be binding on Seller and will not modify this Agreement.