

# Northwest Metalcraft Inc.

## Terms and Conditions of Sale

The following terms and conditions are part of any order or contract resulting from Buyers acceptance of quotation for products offered by Seller:

### Terms and Conditions

1. Terms: Net 30 days, on all Tools, Engineering Charges, and Parts. Seller reserves the privilege of declining to make deliveries except for cash whenever, for any reason, doubt as to the Buyer's financial capability develops. No consignment sales shall be accepted.
2. Quotations: Until an order is accepted by Seller, quoted prices are subject to change without notice. All quotations unless otherwise stated, are for immediate acceptance. All orders and contracts are subject to acceptance at Seller's home office. Prices on all reorders may be adjusted in accordance with prevailing economic conditions.
3. Cancellation: Orders may be cancelled or deliveries deferred, only upon the condition that Buyer assume immediate liability for, and make payment to the Seller, of charges involved.
4. Quantities: All quotations are based on Buyer accepting over-run or under-run of each individual item not exceeding 10% of quantities ordered. Where a closer control of quantity is required, special arrangements must be made. Quantity tolerances for blanket orders or annual / multi-year contracts will be determined at time of order.
5. Deliveries: Delivery dates for products sold will be as agreed to by both Seller and Buyer. Seller does not assume responsibility for any damages growing out of or owing to delays in delivery.
6. Pricing: Pricing is based on quantities ordered to be shipped within a 90 day period (from first shipment to last shipment). Deliveries extending beyond 90 days may be subject to lower quantity pricing. Pricing for blanket orders or annual / multi-year contracts will be based on Estimated Annual Usage (EAU), provided by customer. Pricing on annual contracts may be adjusted at completion of contract based on actual usage.
7. Inspection: Inspection by Seller will be made in accordance with Seller's standard practice of quality control unless otherwise requested on inquiry or print and accepted by Seller. Parts proved not as ordered by Buyer's inspection may be returned only upon Seller's written authorization.
8. Claims: Claims by Buyer must be submitted WITHIN 60 DAYS of receipt of shipment by Buyer. If such claim is sustained to the satisfaction of both parties, the Seller shall repair, replace, or issue a credit at Sellers option. Seller is liable only for material, parts or part assemblies which are found defective in the form in which they were shipped by Seller to Buyer and before their use in further manufacture and/or assembly. If a claim is made and sustained to the satisfaction of both parties and was made from Buyers material, Seller shall repair, replace, or issue a credit at Sellers option only for the cost that Seller has charged Buyer. Seller is not responsible for any cost of Buyer for labor, material or special processes of material prior to Seller receiving Buyers material.
9. Buyer's Material: Orders that require the use of Buyer's material are accepted subject to delivery of amount of material and in dimensions as specified by Seller, FOB Seller's plant. If material is defective or will not perform to Seller's requirements, Seller may cancel order without incurring liability, but Buyer shall pay Seller's cost through time of cancellation. Scrap resulting from stamping operation shall be property of Seller unless otherwise agreed to in advance.
10. Engineering Charges, Tools, Gages, etc. (Hereinafter referred to as Tooling): Payment of initial charges for tooling supplied by Seller does not convey the right of removal from Seller. Buyer may obtain the right of removal by negotiation and agreement between Seller and Buyer, for a fair reimbursement for the cost of design development, experimental work, maintenance and storage.
11. Obsolescence of Tooling: Tooling inactive for a period of three years may, at the option of Seller, be scrapped upon notification of intent to Buyer and upon failure to receive advice to the contrary within 60 days. Any resulting scrap value of tooling shall belong to Seller as payment in full for storage and maintenance costs.
12. Insurance and Taxes: Any taxes imposed by Federal, State, or Local authorities on the manufacture or sale of articles covered by Buyer's purchase order shall be charged to Buyer. Buyer's materials, dies and/or tooling shall not be insured by Seller unless specifically requested by Buyer, at Buyer's expense, and made a part of the order. If no special agreement is made, Seller assumes no responsibility for destruction or partial loss due to fire, or other casualty beyond Seller's specific and reasonable control.

13. Patents: It is not the intention of the Seller to manufacture any product, which is an infringement of a patented article. Parts are made by the Seller strictly to specifications furnished by the Buyer or commercial standards of the Stamping Industry. It is agreed that the Buyer will defend and save harmless the Seller from any and all expenses involved in any claims for damages from infringements of letters patent by use or sale of parts made by the Seller, either as such, or as parts or units of complete entities. Seller does not assume responsibility for parts made on equipment violating license.
14. Packaging: Packaging will be in accordance with Seller's standard practice (bulk) sufficient to assure safe delivery unless otherwise requested on inquiry or print accepted by Seller.
15. Shipments: All shipments are F.O.B our dock/Origin