

## Quotations Sale/Acknowledgment Terms and Conditions

1. Acceptance. The following terms and conditions of sale are applicable to all Quotations and Customer Purchase Orders and are the only conditions applying to the sale of Seller's products or services except conditions relating to prices, quantities, delivery schedules, terms of payment, invoicing, shipping instructions, and the identification of the products. In the *event* of any conflict, these terms and conditions shall prevail. Sellers shall not be deemed to have waived the following conditions if it fails to object to the conditions appearing in, incorporated by reference, or attached to a Purchase Order. Buyer's acceptance of products or services called for in said Purchase Order shall constitute its acceptance of the following terms and conditions of sales.

2. Quotations. All quotations by Seller are subject to change or withdrawal without prior notice to Purchaser unless otherwise specifically stated in the quotation. Quotations are made subject to approval by Seller of Purchaser's credit. All sales, contracts and orders become effective only if and when approved and accepted in writing by Seller by the issuance of its Order Acknowledgement form. Seller reserves the right to discontinue manufacture of any products or change products materials, design or specifications without notice.

3. Warranty. For a period of 12 months, Seller warrants only that all products sold hereunder will conform to the description on the face hereof and that it will convey good title thereto. Such warranties are in lieu of and exclude all other warranties, express or implied by operation of law or otherwise. Seller makes no warranty of merchantability and no warranty that the products shall be fit for any particular purpose. Any claim on account of defective products or for any other cause whatsoever shall conclusively be deemed waived by Buyer unless written notice thereof is given to Seller promptly after discovery but no later than sixty (60) days from date of shipment. Seller shall have the right either to replace or repair any defective products, to refund the purchase price upon return of the products or to grant a reasonable allowance on account of such defects, and Seller's liability and Buyer's exclusive remedy for defective products shall be limited solely to replacement, repair, refund or allowance as Seller may elect. Seller shall be given reasonable opportunity to investigate all claims and no materials shall be returned to Seller until after inspection and approval by Seller and receipt by Buyer of written shipping instructions from Seller.

a) Disclaimer of Further Warranties. Except as set forth above, there is no warranty, representation or condition of any kind, express or implied (including no warranty of merchantability or fitness of the goods for any use contemplated by Buyer) concerning Seller's products and none shall be implied by law.

b) Limitation of Liability and Remedies. Seller shall not be liable, and Buyer waives all claims against Seller, for incidental or consequential damages, whether or not based upon Seller's negligence or breach of warranty or strict liability in tort or any other cause of action. Buyer's exclusive remedy for any cause of action under this contract is a claim for damages and in no event will damages or any other recovery of any kind against Seller exceed the price of the specific goods as to which the claim is made. Seller will not be liable to Buyer for any loss, damage, or injury to persons or property resulting from the handling, storage, transportation, resale, or use of the products in manufacturing processes, or in combination with other substances, or otherwise.

4. Prices. Prices are subject to change without notice. All orders are accepted subject to Seller's price in effect at time of shipment. All changes in freight rates or transportation charges used by Seller in computing prices and charges shown on this acceptance occurring after the date of this acknowledgement will be for Buyer's account.

5. Title/Risk of Loss. All products shall be shipped F.O.B. Seller's plant and shall become the property of Buyer upon delivery to the carrier. Buyer shall assume all risk and liability for loss, damage, or destruction after delivery to the carrier. Unless mutually agreed upon, shipping dates are approximate and are based upon prompt receipt of all necessary information. Seller reserves the right to ship items in a single or in multiple shipments.

6. Force Majeure. Seller shall not be liable for any delay in delivery due to (a) fires, floods, strikes, or other labor disputes, accidents to machinery, acts of sabotage, riots, precedence or priorities granted at the request or for the benefit, directly or indirectly, of the federal or any state government or any subdivision or agency thereof, delays in transportation or lack of transportation facilities, restrictions imposed by federal or state legislation or rules of regulations thereunder; or (b) any cause beyond the control of Seller.

7. Cancellation. The contract resulting from this acknowledgment and acceptance of Buyer's order cannot be canceled, terminated or modified by Buyer in whole or in part except with Seller's consent in writing and then only upon terms and conditions then to be agreed upon which shall include protection of Seller against all loss.

8. Tooling/Molds/Dies. Unless otherwise agreed in a writing signed by Seller, all material, equipment, facilities, and special tooling, which term includes but is not limited to jigs, dies, fixtures, molds, patterns, special taps, special gauges, special test equipment, and manufacturing aids and replacements thereof, used in the manufacture of the products covered by any order shall remain the property of Seller. Any material, tooling, and equipment furnished to Seller by Buyer shall be and remain the personal property of Buyer with the title to and right of possession remaining in Buyer.

9. Taxes. Buyer shall pay to Seller in addition to the purchase price the amount of all fees, duties, licenses, and all sales, use, privilege, occupation, excise, or other taxes, federal, state, local, or foreign which Seller is required to pay or collect in connection with furnished goods or services to Buyer.

10. Waiver. No failure of Seller to insist upon strict compliance by Buyer with the terms and conditions of this *acknowledgement*, or to exercise any right accruing from any default of Buyer shall impair Seller's rights in case Buyer's default continues or in case of any subsequent default by Buyer. Waived by Seller or any breach of contract shall not be construed as a waived of any other existing or future breach.

11. Bankruptcy/Insolvency. Seller may, at any time or times, suspend performance of any order or require payment in cash, security or other adequate assurance satisfactory to Seller when, in Seller's opinion, the financial condition of Buyer or other grounds for insecurity warrant such action.

12. Litigation Costs. If any litigation or arbitration is commenced between Seller and Buyer, or their personal representatives, concerning any provision of this Agreement, the party prevailing in the litigation or arbitration is entitled, in addition to such other relief that is granted, to a reasonable sum as and for their attorneys' fees in such litigation or arbitration.

13. Assignment and Delegation. No assignment of any right or interest or delegation of any obligation or performance of Buyer under this order may be made without the prior written consent of Seller. Any attempted assignment or delegation will be wholly void and totally ineffective for all purposes.

14. Integration Clause. This agreement constitutes the entire contract of sale and purchase of the goods named herein. No modification hereof shall be of any force or effect unless in writing and signed by the party claimed to be bound thereby, and no modification shall be effected by any acknowledgment or acceptance or purchase order forms stipulating different conditions.

15. Confidential Information. All information furnished or made available by Seller to Buyer in connection with the subject matter of this quotation shall be held in confidence by the Buyer. The Buyer agrees not to use such information or disclose such information to others without the Seller's prior written consent. The obligations of this paragraph will not apply to any information which (a) at the time of disclosure was, or thereafter becomes, generally available to the public by publication or otherwise through no breach by the Buyer of any obligation herein, (b) the Buyer can show by written records was in the Buyer's possession prior to disclosure by the disclosing party, or (c) is legally made available to the Buyer by or through a third party having no direct or indirect confidentiality obligation to the Seller with respect to such information.

16. Ownership of Inventions. All drawings, know-how, designs, confidential information, and the like disclosed to Buyer by Seller and all rights therein will remain the property of Seller and will be kept confidential by Buyer in accordance with these terms and conditions. The Buyer shall have no claim to, nor ownership interest in, any information provided or communicated by the Seller, and such information, in whatever form and any copies thereof, shall be promptly returned to the Seller upon written request from the Seller. Buyer acknowledges that no license or rights of any sort are granted to Buyer under this Agreement in respect of any rights in Seller's information, developments, devices, processes, or other intellectual property arising therefrom.

17. Infringement and Indemnification. (a) The Seller agrees to defend, indemnify and hold the Buyer harmless against any claims, costs, damages, liability and expenses resulting from actual or alleged patent, trademark, or copyright infringement, misappropriation of confidential information, or violation of any other intellectual property right, domestic or foreign, in the selling or use of any part or product that is owned by Seller and that pertains to the subject matter of this quotation (provided that the part or product is not modified in anyway by the buyer or any other party, and that the part or product is used in the manner intended by the Seller). If a suit or claim results in any injunction or any other order that would prevent Seller from supplying any part or product falling under this quotation, or if the result of such a suit or claim would, in the reasonable opinion of Seller's counsel, otherwise cause Seller to be unable to supply such parts or products, Seller shall have the right, at its option, if it so chooses, to do one or more of the following: (i) secure an appropriate license to permit Seller to continue supplying said parts or products to Buyer; (ii) modify the appropriate part or product so that it becomes non-infringing, provided that any modification does not cause any material change to the operation or performance of the part or product; or (iii) replace the appropriate part or product with a non-infringing but practically equivalent part or product. (b) The Buyer agrees to defend, indemnify and hold the Seller harmless against any claims, costs, damages, liability and expenses resulting from actual or alleged patent,

trademark, or copyright infringement, misappropriation of confidential information, or violation of any other intellectual property right, domestic or foreign, in the making, using or selling of any part or product or using any process that is owned by the Buyer or is designed or specified by the Buyer and that pertains to the subject matter of this quotation.

18. Construction. All sales, agreements for sale, offers to sell, proposals, acknowledgments and contracts of sale, including, but not limited to, purchase orders accepted by Seller, shall be considered a contract under the laws of the State of Illinois, and the rights and duties of all persons, and the construction and effect of all provisions hereof, shall be governed by and construed according to the laws of the State of Illinois.

19. Payments. All sellers invoices are payable within 30 days of their date. Time is of the essence. Interest on past due amounts will be assessed at the rate of 1.5% per month (18% per annum), or the maximum allowable by law.