

CONDITIONS OF SALE

BUYER BY ORDERING ANY OF THE MERCHANDISE SPECIFIED ON THE ACCOMPANYING ORDER CONFIRMATION AGREES TO ALL CONDITIONS OF SALES HEREIN STATED.

All prices quoted herein cancel and supersede any previously quoted prices and are subject to change by the Seller without notice unless otherwise specified. They do not constitute any offer to sell, and the Seller reserves the right to accept or reject any order. Goods delivered under any order shall be invoiced at the Seller's price in effect at the time of shipment, provided that in the event of a price increase the Buyer shall be notified and shall have the option of accepting delivery at the new price or countermanding the unprocessed balance due within five (5) days after notice of the price revisions such option is however subject to the condition that the Buyer will be responsible at the original price for that portion of the order in process or completed but unshipped at the time of cancellation. **Seller's quality manual is the controlled document for the seller's development, manufacturing processes and systems.**

TAX CLAUSE

Prices on orders accepted are subject to change in the event of and proportionally with the increase of cost to the Seller of the said goods caused by the imposition or increase of Federal, State, Local or foreign taxes or duties upon any supplies or materials used in their manufacture, or the use thereof, or any tax, charge or regulation concerning the selection, cost or employment or processing of labor or materials or quantities of production or sale. The Buyer will reimburse the Seller with the amount of any taxes in the nature of excise taxes now or hereafter imposed by the United States or by any State or Local Government Authority upon any and all merchandise sold hereunder, or materials or power used in manufacturing same and/or upon the manufacture and/or sale and/or transportation thereof and paid by Seller either as such or indirectly by increased costs.

LIABILITY CLAUSE

The Seller will exert the utmost effort at all times and under all conditions to perform hereunder. The Seller, however, shall not be liable for delay in any performance or for failure to render any performance under the agreement, and any such delay or failure shall for all-purpose be excused, when such delay or failure is caused by governmental regulations (whether or not valid), fire, strike, differences with workman, war, flood, accident, epidemic, embargo, shortage of railroad cars or steamers, appropriation of plant product in whole or in part by Federal or State authority, or any other cause of causes, whether of like or different nature, beyond the reasonable control of the Seller. The Seller may make partial delivery hereunder and to other customers in proportions which are reasonable under all the circumstances considering its ability reasonably to procure materials and supplier for making the goods herein described and other goods, its ability to produce and deliver goods to fulfill its contracts and fill its orders and its whole business and the usual or expected course thereof. Seller may discontinue performances if Buyer's credit becomes unsatisfactory to Seller. Each delivery is a separate sale and failure in one delivery shall not vitiate the agreement as to the others.

BUYERS DELAY OF SHIPMENT

For all products manufactured to Buyer's specification and all non-standard items as to which Buyer delays shipments beyond fourteen days after the shipment date specified on the face of this acknowledgment or in any agreed upon release for an installment under this contract "the specified shipment date", Seller will forthwith invoice Buyer for the goods and Buyer will make payment within the normal thirty (30) day period. Failure to make timely payment of such invoice or of an invoice for storage as provided below, shall be a breach of this contract which, without limitation of other remedies shall entitle Seller to suspend its performance or cancel this contract. Should the Buyer make timely payment of the invoice for the goods but delay shipment of such merchandise for more than thirty-one (31) days beyond the specified shipment date, Seller shall hold the goods for the Buyer and invoice Buyer for storage at the beginning of each month at the rate of two percent per month of the invoice price for such goods. Under no circumstances shall Buyer store such goods with Seller for more than six months after the specified shipping date. In such event Seller may dispose of such goods without liability to Buyer except to account for whatever net proceeds may be obtained.

WARRANTY

The Seller's products are not guaranteed for any specified length of time or measure of service. The Seller warrants only that the merchandise covered by this order (excepting factory seconds and obsolete items AS TO WHICH THE SELLER MAKES NO WARRANTY) shall be free from defects in material, but all merchandise shall be subject to Seller's normal manufacturing tolerances EXCEPT AS STATED IN THE PRECEDING SENTENCE there ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY FOR FITNESS FOR A PARTICULAR PURPOSE AND SELLER SHALL NOT BE LIABLE UNDER ANY THEORY INCLUDING, WITHOUT LIMITATION, CONTRACT, NEGLIGENCE, MISREPRESENTATION OR BREACH OF ANY OTHER OBLIGATION RELATING TO THE QUALITY OF, OR DEFECTS IN THE GOODS WHICH ARE THE SUBJECT TO THIS ORDER.

Buyer's exclusive remedy for breach of any warranty is limited to a refund of the purchase price of the merchandise or at the Seller's option, to replacing it upon its return. Under no circumstances shall the Seller be responsible for consequential damages.

No claim for any breach of warranty herein shall be considered unless delivered in writing to the Seller within thirty (30) days after date of delivery of the first shipment with respect to which the claim is made.

PATENTS

The Buyer will protect and indemnify the Seller against all claims for damages or profits arising from infringements of patents, designs, copyrights or trade names with respect to all goods manufactured either in whole or in part to the Buyer's specifications.

TOOLING

Notwithstanding Seller's acceptance of this or any other order, if performance of any such order shall involve Seller's use of any mold or other equipment whether or not owned by the Buyer, Seller shall be released from performance and from any other obligation by virtue of such acceptance upon the Seller's giving by written notice to the Buyer that such mold or other equipment is unsatisfactory either in whole or in part for performance of any such order by the Seller.

All molds or other equipment delivered to or held by the Seller by or for the account of the Buyer shall be held by Seller at Buyer's risk and with express understanding that, unless removed by Buyer within thirty (30) days after Seller's written notice to Buyer at Buyer's last known address, Seller may, at its option, dispose of such molds or other equipment in any manner whatsoever without any responsibility whatsoever to Buyer.

QUANTITY VARIATION

The Buyer agrees to accept 10% to 15% over-shipment or under-shipment on an order for Products to Buyer's Specification, Products requiring special material or Products that are uncontrollable in the course of manufacture which may result in such over or under-production.

These conditions of sale supersede all prior or contemporaneous oral or written understanding agreements or recommendations and may not be added to, modified, rescinded, or waived, in whole or in part except by a writing signed by an authorized representative or Seller, notwithstanding any language that may be contained in any form of Buyer and notwithstanding any delivery of goods by Seller.