

STANDARD TERMS AND CONDITIONS OF SALE

1. **QUOTATION:** This quotation is voidable by Seller 15 days after issue date. Stenographic and clerical errors are subject to correction.
2. **BUYER'S PURCHASE ORDER:** This quotation is made on the terms and conditions stated herein and no others. Buyer's acceptance will be limited to the terms and conditions of this quotation. No additional or different terms and conditions stated in any purchase order used by Buyer shall be acceptable to us unless and until we expressly in writing to them, and NOTICE OF OBJECTION is hereby given to and proposed changes to the terms and conditions contained herein, whether conceived as major or minor in character. Buyer's purchase order issued in response to this quotations shall be deemed an acceptance of all the terms and conditions in this quotation and no others, and any different or additional terms and conditions contained in Buyer's purchase order shall be deemed void and of no effect whatsoever, unless expressly confirmed in a separate writing signed by an authorized representative of Seller.
3. **ENGINEERING CHARGE:** The engineering charge covers the cost of engineering, adapting, and fabricating special components. These components: are adaptable only to our special fixtures and machines and therefore will not be released from our plant. (This is the policy of the industry) No further charge will be made except for part design change made by the Buyer.
4. **SPLIT SHIPMENTS:** Invoices will be printed at the rate for each quantity shipped where split shipments are requested by the customer. Seller reserves the right to make shipment installments: unless otherwise expressly stipulated herein or in Seller's written acknowledgement of Buyer's purchase order. All such installments shall be separately invoiced and paid for when due, without regard to subsequent shipments. Delay in shipment of any installment will not relieve Buyer of its obligation to accept remaining shipments.
5. **LIMITED WARRANTY:** Seller warrants that its goods will be of high quality and free from defects for a period of one (1) year from the date of the purchase order. In the event of defect, Seller's sole obligation shall be limited to free labor and parts for repair or replacement, solely at Seller's option, of defective goods for the first year of warranty. In no event shall Seller's liability to Buyer exceed the cost of the goods. Buyer's sole remedies shall be as set forth herein and shall be limited to the cost of repair, and within the Seller's discretion, replacement of the defective item.
6. **HEAT TREATMENT:** Buyer understands and acknowledges that seller does not perform heat treating of parts in house. If parts subject to this quotation require heat treating, Seller makes no warranty and assumes no liability or responsibility to buyer and any other party regarding the selection of heat treater, the effect of heat treatment on such parts, the hardness, condition, and compliance with specifications of such parts after heat treatment or otherwise. If arrangements for heat treating are made by Seller pursuant to the terms of this quotation or made by buyer directly with the heat treater, Buyer agrees to indemnify, defend and hold Seller harmless from and against any losses, claims, damages, liability, causes of action, and judgments arising out of or in connection with such heat treatment of the parts subject to this quotation.
7. **TOOLING/STAMPING DIE WARRANTY:** During the time the Buyer's tooling is in Muthig Industries Inc. possession, Muthig Industries Inc. shall be responsible for routine maintenance of the Buyer's tooling. Cost of major reconditioning or replacement of Buyer's tooling shall be the responsibility of the Buyer. If a period of (5) years elapses since the last order of products from the Buyer requiring the use of Buyer's tooling, and Buyer has not requested Muthig Industries Inc. to return Buyer's tooling, Muthig Industries Inc. may dispose of Buyer's tooling without obligation or liability of buyer and may charge Buyer for any costs associated with such disposal. Muthig Industries does not warrant any Tooling after it leaves our facility unless the failure can be directly attributed to defects in material or workmanship while following design practices generally known and accepted in this industry. Muthig Industries Inc. will not be responsible for any damages occurred during the shipping of the Tooling, all damages and cost of shipping will be at the expense of the Buyer. Stamping Dies have an industry standard "shelf life" and will eventually need to be re-built, there is no warranty for this and will be the Buyer's expense.
8. **QUANTITIES:** Buyer will accept overruns not to exceed 10% of quantity ordered.
9. **CHANGES:** Whenever possible Seller will try to accommodate details, and modifications desired by our customers. However modifications that are above and beyond those originally quoted will be charged on a time and material basis.
10. **TOLERANCES:** Dimensional tolerances shown on print will be maintained unless otherwise specified by Seller per quote.

11. **OTHER WARRANTIES AND REPRESENTATIONS:** No agent, employee, or representative of Seller has any authority to bind Seller to any affirmation, representation or warranty concerning goods sold hereunder, except as specifically included herein, or in a separate writing signed by an authorized representative of Seller. The full and final expression of all warranty liability of Seller is as set out in this quotation. The entire agreement of the parties regarding warranties is as contained herein and in any related or subsequent writing signed by an authorized representative of Seller and no evidence of any prior or contemporaneous agreement, representation, understanding or the like may be used to add to, subtract from, or modify the consent of the warranties herein set forth. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION OF THE GOODS CONTAINED IN THIS QUOTATION, AND ONLY SUCH WARRANTIES ARE GIVEN AS ARE EXPRESSLY SET HEREIN.

12. **DELIVERIES:** All goods are sold, and all shipments are made, F.O.B. Seller's factory, Fond du Lac, WI. Seller will use its discretion in routing all shipments, unless specified by Buyer, and reserves the right to select carrier and truck size. If any shipment made in accordance with Buyer's instructions shall incur additional labor or carrier costs, such costs shall be paid by Buyer as invoices are rendered. Parts will be packed bulk in our containers. Crating, wrapping, special packaging, etc. to avoid scratches, pits or other marks or for waterproofing, rust preventative, etc. may involve additional charges where special handling and treatment are required. The shipment date mentioned on this quotation or on any acknowledgement of Buyer's purchase order is Seller's best approximation of the probably shipment date and is not a fixed or guaranteed date. Shipment of goods is subject to any and all delay's due to any condition or happening whatsoever beyond Seller's control, including but not limited to strikes, fires, riots, wars, acts of GOD, inability to obtain materials, governmental regulation or other conditions. Seller shall not be responsible for any damage or loss resulting, whether directly or incidentally, from delayed shipments, and seller assumes no responsibility or liability whatsoever for damage which may occur in transit.

13. **DISCLAIMER OF IMPLIED WARRANTY:** SELLER DISCLAIMS ALL IMPLIED WARRANTIES AND SIMILAR OBLIGATIONS INCLUDING BUT NOT LIMITED TO THOSE OF FITNESS FOR A PARTICULAR PURPOSE, AND MERCHANTABILITY, WHETHER OTHERWISE ARISING BY LAW, CUSTOM, USAGE, TRADE PRACTICE, COURSE OF DEALING, OR COURSE OF PERFORMANCE. There are no warranties which extend beyond the express warranties contained herein. Seller does not warrant that the goods will comply with the requirements of any safety or environmental code or regulation of any federal, state, municipality or other jurisdiction beyond the specific express warranties set forth herein.

14. **BUYER'S INSPECTION AND ACCEPTANCE:** Goods sold pursuant to this quotation shall be inspected by the Buyer on arrival at Buyer's plant. If the goods fail to conform in any way to the contract, the Buyer will so notify Seller in writing within 15 days of arrival of the goods at Buyer's plant. Failing such notice the goods shall be deemed accepted and it is expressly agreed that the buyer shall have waived all claims based on any defects that were or would have been discovered on reasonable inspection during this 15 day period. Such an acceptance, it is agreed, shall also be deemed to have been made with knowledge of any defects that inspection during the allowed time period would have revealed.

15. **CONSEQUENTIAL AND INCIDENTAL DAMAGES WAIVED:** The Seller shall not be liable for direct, indirect, special, incidental, or consequential damages (including loss of profits) whether based on contract, tort, or any other legal or equitable theory. Buyer hereby expressly and knowingly waives any and all claims for the damages identified in this paragraph that may arise as a breach of Seller's warranty, defects due to faulty workmanship, and/or that arise out of Seller's manufacturing of the goods.

16. **MATERIAL:** Analysis reports and Certification of Compliance on material will not be furnished unless requested by customer at the time order is released and may require an additional fee. If material is furnished by Buyer, the entire quantity of material will be processed and the scrap left over shall be come Seller property unless otherwise agreed upon in advance when Buyer supplies material.

17. **CONSEQUENTIAL AND INCIDENTAL DAMAGES WAIVED:** The Seller shall not be liable for direct, indirect, special, incidental, or consequential damages (including loss of profits) whether based on contract, tort, or any other legal or equitable theory. Buyer hereby expressly and knowingly waives any and all claims for the damages identified in this paragraph that may arise as a breach of Seller's warranty, defects due to faulty workmanship, and/or that arise out of Seller's manufacturing of the goods.

18. **CANCELLATIONS:** Buyer will be responsible for all work and material in process at time of cancellation and will be invoiced accordingly. Minimum cancellation charge will be \$35.00.

19. **MATERIAL:** Analysis reports and Certification of Compliance on material will not be requested by customer at the time order is released and may require an additional fee. If material is furnished by Buyer, the entire quantity of material will be processed and the scrap left over shall be come Seller property unless otherwise agreed upon in advance when Buyer supplies material.

20. **PAYMENT TERMS:** Orders are accepted at Muthig Industries, Inc. Open account to those having a satisfactory Dun Bradstreet rating or those who furnish satisfactory references: to all others cash in full with order F.O.B. Factory Fond du Lac, WI. Terms ½% 10, net 30 days. Any deviations from these terms will be quoted accordingly. Buyer shall make payments as specified herein and in Sellers' invoice, and Seller may suspend shipment or delivery until such payments are made. Seller reserves the right to charge of 1.5% per month, but not in excess of any lawful rate, if Buyer is delinquent in payment of invoices. If, in Seller's opinion the financial condition of Buyer becomes impaired or unsatisfactory, Seller may at any time limit or cancel the credit of Buyer and, before delivering additional material to buyer, require Buyer to pay cash for such goods and to pay for any goods previously delivered. Failure of Buyer to make such payments within 10 days after demanding in writing shall constitute breach of this agreement buy Buyer. Approval of credit of one or more deliveries shall not be deemed a waiver hereof. Buyer agrees to reimburse Seller of all of Sellers' costs and expenses. Including actual attorney fees, incurred in connection with collection of any past due amounts owed by Buyer.

21. **PERIODIC POLICY CHANGES:** Please note that Muthig Industries Inc. reviews its privacy practices from time-to-time (i.e. to track technology and/or legal changes), and that these practices are subject to change. To ensure continuing familiarity with the most current version of our privacy policy, please bookmark and periodically review this page.

22. **RISK OF FREIGHT LOSS & FREIGHT CLAIMS:** Risk of loss or damage from the time of shipment is assumed by the Buyer. Unless otherwise specified by Buyer, Seller will select a regular insured commercial freight carrier and arrange for shipment costs to be charged to Seller and added to Buyer's invoice. Common carrier shipments are "freight collect", Seller will invoice buyer for equipment cost, and Carrier will collect payment for shipment and insurance direct from Buyer. All packages and shipping containers must be inspected for damage upon arrival at Buyer's plant. Any damage must be noted on the freight papers and reported immediately to the freight carrier. The damaged container must be kept in order to make an insurance claim. Taking a photograph of a damaged container is always a good practice. Failure of the Buyer to fully document and report any damaged and/or missing parts at the time of receipt may cause the freight carrier to reject the claim leaving the Buyer fully responsible for the loss.

23. **GOVERNING LAW AND VENUE:** This Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin, and the venue for any legal action commenced with respect to this Agreement shall be the circuit court for Fond du Lac County, Wisconsin.

24. **MEDIATION:** The parties agree to attempt to resolve any dispute, claim or controversy arising out of or relating to this Agreement promptly by negotiation between persons representing said parties who would have authority to resolve any dispute. If any such dispute, claim or controversy cannot be resolved through negotiation, the parties further agree that their respective good faith participation in mediation is a condition precedent to pursuing any other available or equitable remedy, including litigation. Either party may commence the mediation process by providing to the other party written notice, setting forth the subject of the dispute, claim or controversy and relief requested. Within ten (10) days after the receipt of the foregoing notice, the other party shall deliver a written response to the initial party's notice. The parties shall attempt to agree to a mediator who will mediate the subject dispute, claim or controversy. If the parties cannot mutually agree to a mediator, they shall jointly petition the circuit court for Fond du Lac County requesting that the judge designate a mediator, and which designation shall be binding upon the parties without recourse. The parties agree to share equally the costs and expenses of mediation (which shall not include the expenses incurred by each party for its own legal representation in conjunction with the mediation). The parties further acknowledge and agree that mediation proceedings are settlement negotiations and that, to the extent allowed by applicable law, all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties or their agents shall be confidential and inadmissible in any legal proceedings involving the parties; provided, however, that evidence which is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. The provisions of this section may be enforced by any circuit court in Fond du Lac County, and the prevailing party in any litigation initiated with respect to this Agreement shall be entitled to an award of all costs, fees, and expenses, including actual attorneys' fees, to be paid by the non-prevailing party.

MUTHIG INDUSTRIES, INC.