

## **Magnum Manufacturing -- Quotation Terms and Conditions:**

All sales and offers to sell by **Magnum Manufacturing** (hereinafter called "Seller" or **Magnum Manufacturing**) of products offered and sold by it (sometimes hereafter called "Articles") are subject to the following general terms and conditions which are deemed incorporated into all orders and offers to purchase submitted to Seller for the acceptance and into all of the Seller's quotations, acceptances and contracts of sale.

**PRICES, TERMS AND CONDITIONS.** The prices and terms on this Price Quotation are not subject to verbal changes or other agreements unless approved in writing by the Home Office of the Seller. Prices and lead-times are based on costs and conditions existing on date of quotation and are subject to change by the Seller before acceptance of the Buyer's order to this Price Quotation. Conditions not specifically stated herein shall be governed by established trade customs. Terms inconsistent with those stated herein which may appear on Buyer's formal order will not be binding on the Seller.

The Seller shall not be responsible for any failure to perform or delay in performance, whether in manufacturing, delivery or otherwise, due to causes beyond its control. These causes shall include, but not be restricted to, fire, storm, flood, earthquake, destruction of plant or facilities, explosion accident, act of public enemy, war (whether declared or undeclared), rebellion, insurrection, riot, sabotage, epidemic, quarantine restriction, labor dispute, labor shortage, strike, lockout, blockade, transportation or other embargo, failure or delay in transportation, inability to secure raw materials, failure of machinery for the manufacture of its products, acts of God, acts of the United States or any other federal government or any agency thereof, acts of any state or local government or agency thereof, and judicial action, or any other case whatsoever, whether similar or dissimilar to those hereinbefore enumerated, all whether foreseen or unforeseen.

Typographical and stenographic errors on this Price Quotation are subject to correction.

When this Price Quotation specifies material to be furnished by the Buyer, ample allowance must be made for reasonable spoilage and material must be of suitable quality to facilitate efficient production.

**Magnum Manufacturing WORK AUTHORIZATION POLICY.** Your **Magnum Manufacturing** Program Manager is authorized to proceed with the work outlined on this Price Quotation upon receipt of the following: A purchase order number, signed purchase requisition, a signed copy of the quote indicating your acceptance of **Magnum Manufacturing's** proposal, or an e-mail approving the cost and timing. A hard copy purchase order must be provided within 5 business days, or before tool shipment, or work will cease and the job will be placed "on hold." Your order cannot be delivered without receipt of a hard copy purchase order.

**PAYMENT AND CREDIT EXTENDED TO BUYERS.** When the Seller has extended credit to the Buyer, the terms of payment shall be as stated on the Seller's invoice. The amount of credit may be changed or credit withdrawn by the Seller at any time. Anything to the contrary notwithstanding, the Seller shall be under no obligation to make any shipment when the Buyer is in default under any agreement between the Buyer and Seller. If shipments are delayed at the direction of the Buyer, payments are due from the date when the Seller is prepared to make such shipments.

**SELLER'S UNIFORM COMMERCIAL CODE RIGHTS.** **Magnum Manufacturing** reserves the right to file a financing statement (UCC-1) against any articles supplied to the Buyer in accordance with Federal Uniform Commercial Code statutes. Upon request, the Buyer must supply information to the Seller necessary for inclusion in the filing such as but not restricted to: Buyer's proper "Organization Name," state of origin of its incorporation or state registered to do business, organization identification number or tax identification number. A Uniform Commercial Code financing statement insures that the Seller is a secured creditor and retains ownership of the articles supplied until the Buyer satisfies its obligation and makes payment in full. Upon satisfactory completion of Buyer's obligation, the Seller will execute a UCC-3 to release the Seller's lien against the subject articles.

**SELLER'S LIABILITY.** Force Majeure applies to this document meaning unforeseeable, unavoidable and insurmountable objective conditions shall not hold the Seller liable for increased costs, loss of profits or goodwill, or any special, indirect, incidental or consequential damages.

**SERVICE CHARGES.** Amounts unpaid by the Buyer beyond the period of credit extended on the face hereof, if any, shall bear interest at 1½% per month (18% annual percentage rate) on the unpaid balance. Unless otherwise indicated on the face of this Price Quotation, payment terms are net 30 days.

**LIMITATION OF WARRANTY AND CLAIMS.** Except as otherwise stated in an express written warranty of Seller provided by Seller to Buyer incident to a particular order of Buyer, Seller warrants that the articles sold to Buyer shall be free from defects in workmanship and material under normal use and service (except in those cases where the materials are supplied or designated by the Buyer) for a period of one year from the date of delivery, THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WHETHER STATUTORY OR OTHERWISE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The Seller's liability for breach of warranty shall arise only upon the return of the defective parts at the Buyer's expense after notice to the Seller of claimed breach, and shall be limited to replacing or repairing, at the Seller's option, at its factory, any of said articles which shall within one (1) year after shipment be returned to the Seller's factory of origin, transportation charges prepaid, and which are, after examination, disclosed to the Seller's satisfaction to be defective. Notice to the Seller of claimed defects discoverable by inspection must be given within ten (10) days after receipt of shipment. The warranty shall not apply to any of such articles which shall have been repaired or altered, except by the Seller, or which shall have been subjected to misuse, negligence, or accident. The aforementioned provisions do not extend the original warranty period of any articles, which have either been repaired or replaced by the Seller. Parts returned for repair or credit may NEVER be debited. **Magnum Manufacturing** does not and will not accept Debit Memos. In no event shall the Seller be liable to Buyer for indirect, incidental, collateral or consequential damages of any kind. The Buyer indemnifies the Seller, its successors and assigns from and against any and all losses, damages and expenses (including attorney's fees) which the Seller may sustain or incur as a result of any claim of negligence, breach of warranty or strict liability or tort in connection with the use of the articles furnished hereunder except such as may be wholly caused by the negligence of the Seller.

**DESIGN RESPONSIBILITY.** Part designs supplied by the Buyer to the Seller for the express purpose of construction of tooling to produce said parts are the Buyer's / Molder's responsibility. Moldability (part design suitable for production) is assumed.

**PATENT INFRINGEMENTS.** When the Seller has manufactured any articles in accordance with specifications or drawings (on paper or electronic math data) furnished by the Buyer or when a product is made to the Buyer's design, the Buyer at its own expense will defend any suit against the Seller for infringement of patents and will satisfy any final award of damages for such infringement, provided the Seller gives the Buyer notice in writing of any such suit for infringement, opportunity conduct the defense thereof, and assistance and cooperation in said defense.

**CHANGES TO BUYER'S ORDER.** The Buyer's order shall not be canceled, changed or reduced in amount, nor any deliveries suspended by Buyer, without Seller's prior written consent.

**NONWAIVER OF DEFAULT.** Each shipment made under any order shall be treated as a separate transaction, but in the event of any default or breach by the Buyer, the Seller may decline to make further shipments without in any way affecting its rights under such order. If, despite any default or breach by the Buyer, the Seller elects to continue to make shipments, its actions shall not constitute a waiver of any default or breach by the Buyer or in any way affect the Seller's legal remedy for such default or breach.

**ATTORNEY'S FEES.** The Buyer shall pay the Seller all fees, costs and expenses of the Seller reasonably incurred in the enforcement of the Seller's rights under or with respect to any agreement between the Buyer and Seller including, without limitation, reasonable attorney's fees.

**TIME LIMIT FOR BRINGING ACTION AND VENUE.** Any action by the Buyer for breach of any of the Seller's obligations to the Buyer or any provision hereunder must be commenced by the Buyer within one (1) year after the cause of action has accrued. The seller's obligation will be controlled and limited by the statutes of, and fall under the jurisdiction of the State of Michigan.