

## Terms and Conditions of Sale

1. Our prices are Net 30 days F.O.B. our plant. Our orders are subject to approval of our credit department with the right reserved to change or withdraw credit terms without notice and to terminate any orders when invoices for work done thereon shall have gone unpaid beyond stated terms.
2. Claims for shortage or rejections for defects must be made within ten days of receipt of goods. Credit will be rendered on such defective parts after we have had an opportunity to inspect them, provided they are returned to our factory, transportation charges prepaid, within thirty days, and provided they have not been altered or defaced in any way.
3. A 1-1/2 % per month interest rate will be added to any past due account balances.
4. Any unpaid account for work done shall constitute a lien on any molds, jigs and fixtures and manufactured parts in our possession. In the event any account remains open and unpaid for ninety days, we reserve the right to use customer's molds, jigs and fixtures to make parts wherefrom, and to sell or dispose of manufactured parts.
5. Samples submitted shall be deemed approved unless written rejection is received within two weeks of submission.
6. Manufactured parts will be shipped and billed as they are produced.
7. Delivery of ten percent more or less than the quantity specified, shall constitute fulfillment of this order and any excess not exceeding 10 % shall be accepted and paid for by the customer.
8. Commercial tolerances, unless otherwise specified, shall be considered plus or minus .060 inches.
9. We will not be responsible for color or thickness variations, nor for other external variations beyond our control.
10. Delivery of finished parts depends upon receipt by us of adequate materials. Estimated delivery dates are based upon statements of suppliers and are not guaranteed by us. We assume no responsibility for loss or damage occurring by reason of delay or inability to deliver caused by fires, strikes, accidents, embargoes, car shortages, delays in carriers, insurrection, riots, acts of civil or military authorities, nor will we assume responsibility for any reason what ever for damages of any kind on account of failure to deliver at the time specified.
11. All prices quoted herein or otherwise represent our selling prices; any cost will be added which result from taxes, legal regulations or restrictions now in effect or which may be imposed in the future.
12. This quotation is made upon the basis of the cost of materials and labor as of the date of this quotation. A change in such cost shall give us the right to alter our prices to reflect such changes in cost.
13. Orders placed with us are not subject to cancellation, change, or reduction in amount, or suspension of deliveries except with our consent and upon terms that indemnify us against loss. Unless confirmed in writing, all oral agreements are void.
14. We will not be responsible for changes in design, deliveries or other instructions unless they are furnished in writing. Customer agrees to pay for all molds or tooling changes caused by changes in design or specifications.
15. If this quotation covers customer-made parts, customer agrees to indemnify and hold us harmless against any loss resulting from infringement of patents or trade marks, or from claims of such infringements.

16. Inconsideration of the engineering service necessary in the designing of molds, jigs, fixtures and tooling which is not charged for, such molds, jigs, fixtures and tooling being quoted on the basis of labor and material only, and not at their fair market value, such molds, jigs, fixtures and tooling shall remain in our possession for at least one year. Thereafter the customer desiring delivery of such molds, jigs, fixtures and tooling shall pay an engineering charge of twenty-five percent of the original price of said molds, jigs, fixtures and tooling and accept same as is.
17. We do not carry fire insurance upon molds, jigs, fixtures, and tooling built by us for customers and supplied to us by customers, nor do we carry insurance upon raw materials supplied to us by customers. Customer assume all loss, damage or destruction of molds, jigs, fixtures and tooling or raw materials belonging to customer and in our custody and control caused by fire, water, gas, acts of God, strikes, insurrection, riots or acts of the civil or military authorities, whether or not such loss damage or destruction was the result of our negligence or misconduct, or that of our agents or employees. Except as hereinabove stated, we agree to maintain any molds, jigs, fixtures and tooling built by us in working condition for their normal life only, except that our liability in this respect shall not extend more than one year after the completion of the most recent production order.
18. When requested we will submit suggestions concerning design and construction of parts but we will not accept responsibility or liability for the practicability of these suggestions if adopted by the customer.
19. If parts produced in your behalf infringe or are claimed to infringe letters, patent or copyright, under which claims are made against us, you assume full responsibility for everything done by us in producing such parts and agree to indemnify us and hold us free of any and all losses, including expenditures made or incurred for judgments, settlements, attorney's fees, litigation, negotiation, and any and all losses and disbursements directly or indirectly resulting there from.
20. In the event that any parts, labels or nameplates contain a representation indication approval of the Underwriters Laboratories, NSF, FDA, CE or similar organization, you assume full responsibility for any such representation and the use of such parts, labels or nameplates and you further agree to indemnify us and hold us harmless from any and all losses, including expenditures made or incurred for judgments, settlements, attorney's fees, litigation, or otherwise directly or indirectly resulting there from. In addition, it shall be your responsibility to determine whether or not the use of our parts, labels or nameplates is suitable for the particular product insofar as the standards of such organizations are concerned.
21. Any acceptance of this quote is limited to acceptance of the express terms contained on the face and the back hereof. Any proposal for additional or different terms or any attempt by customer to vary in any degree any of the terms of this quotation, invoice or any such communication in customer's acceptance is hereby objected to and rejected, but such proposal shall not operate as a rejection of the order unless such variances are in the terms of the description, quantity, price or delivery schedule of the goods, but shall be deemed a material alteration thereof, and its quotation shall be deemed accepted by customer without said additional or different terms.
22. This quotation, invoice or any documents referred to on the face hereof, constitute the entire agreement between the parties.
23. We warrant that all goods furnished hereunder will be free of defects in materials and workmanship, and will conform to applicable drawings, specification and / or other data supplied by customer's detailed design or instructions. There are no other warranties which extend beyond above.
24. This agreement shall be governed by the laws of the State of Minnesota, and jurisdiction and venue with respect to any dispute in connection with this agreement shall reside in the Courts of Dakota County, Minnesota.