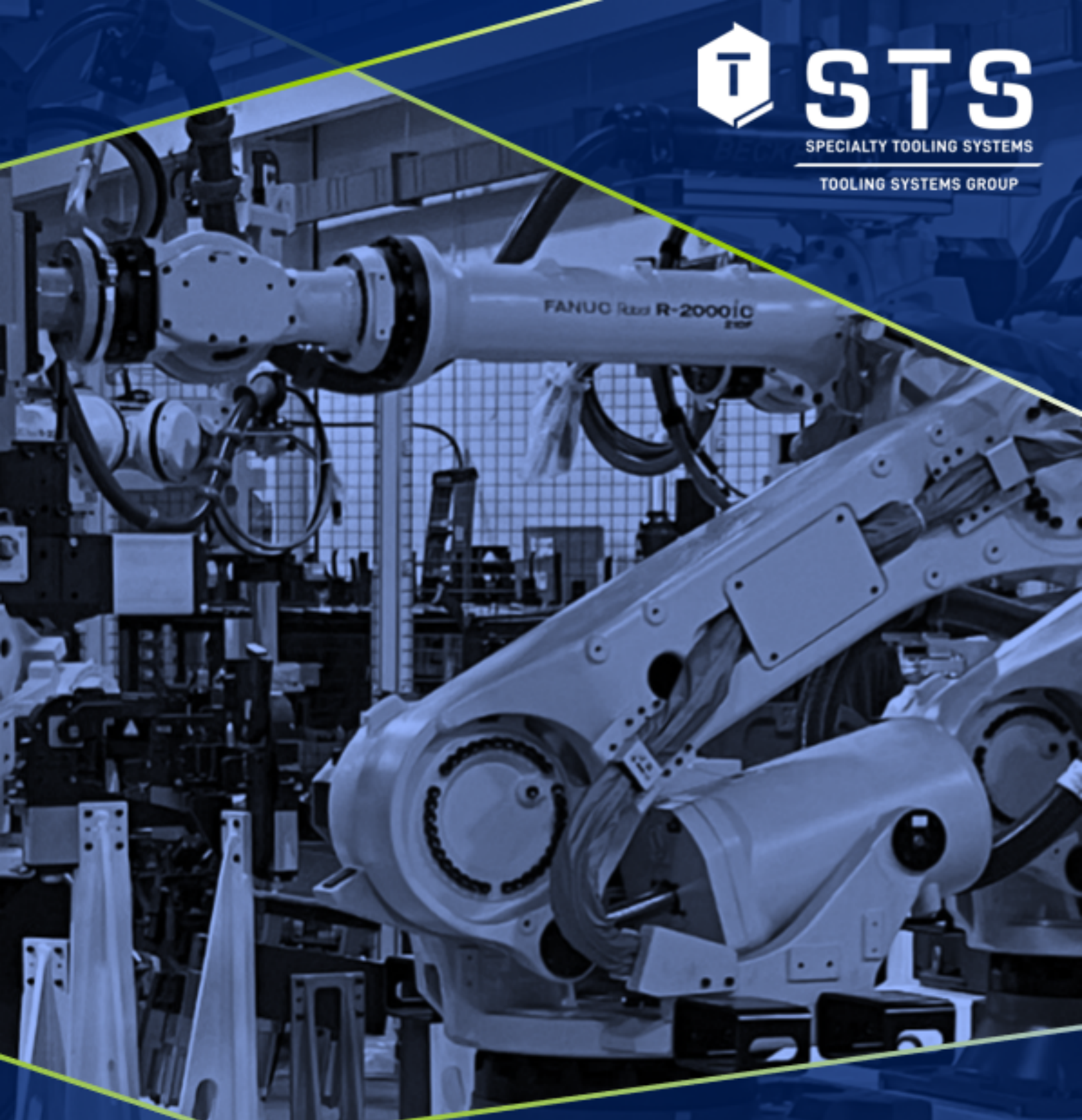




STS

SPECIALTY TOOLING SYSTEMS

TOOLING SYSTEMS GROUP



DOCUMENT:
REVISION LEVEL:
DATE OF QUOTATION

Terms and Condition of Sales
001
11/20/2023



TERMS AND CONDITION OF SALE

Terms and Condition of Sale: The terms and condition of sale are the conditions we assumed when developing this quotation. Any changes or differences in the Buyer terms and condition of sale will need to be reviewed to determine if there is a cost or timing impact.

Any sale of goods, products, or equipment (collectively, "Goods") described in the attached proposal, contract, invoice, or similar ordering document (collectively, "Order") by Specialty Tooling Systems, Inc. or its subsidiaries ("Seller") to the recipient or buyer identified on the applicable Order ("Buyer") is governed by the following terms and conditions of sale ("Terms"). Seller expressly rejects any additional or different terms or conditions, or other writing proposed by Buyer, and any effort by Buyer to negate these Terms. No modification or waiver of these Terms will be effective against Seller unless specified in a writing which is signed by an officer of Seller. If these Terms are submitted in response to or in acceptance of any request for proposal or similar form from Buyer, acceptance is conditional on Buyer's assent to the exclusive application of these Terms. These Terms shall override and supersede any previous or contemporaneous agreement or arrangement between the Seller and Buyer in relation to the subject matter of the Order.

Upon request of Buyer, Seller may, but is under no obligation to, provide Buyer, subject to Seller's terms (including, without limitation, for such fees as Seller may charge), with labor, service, training, or technical assistance with respect to Goods delivered hereunder.

1. **Orders and Acceptance.** Any quote for an Order is subject to revision for errors and omissions, as determined in Seller's reasonable discretion, for a period of up to thirty (30) days after the date of issuance. Any Order accepted by Seller in writing is subject to satisfactory trade and credit references. The placement of an Order by Buyer must be accompanied by sufficient information to enable Seller upon acceptance to proceed forthwith, as determined in Seller's reasonable discretion. Seller will not under any circumstances be obligated to execute any order received which is not in writing. Buyer's acceptance of any Goods from Seller, or delivery of any payment to Seller for Goods, shall conclusively be deemed an assent to all of Seller's Terms in connection with the sale of Goods, and, except for terms relating to quantity and type of Goods and/or requested delivery dates, any ordering document proposed or issued by Buyer shall be disregarded and of no force or effect. For the avoidance of doubt, any good or part thereof shall be deemed accepted by Buyer when such good or part has been installed or tested to be operational. No written or oral promises or conditions not expressly set forth in these Terms shall be binding upon Seller. Notwithstanding any of the foregoing, Seller shall be entitled to revoke its acceptance hereof without liability to Buyer if, at any time prior to the shipment of Goods set forth in any Order, Seller becomes aware of a change in the financial position of Buyer which would, in Seller's opinion, affect Buyer's ability to perform its obligations hereunder or if the applicable manufacturer of Goods declines to provide such Goods, in whole or in part, to Buyer, for any reason whatsoever. In such instance, Seller's sole obligation shall be to return to Buyer any down payment which Seller is holding pursuant hereto.

2. **Delivery.** Delivery dates are approximate and are based on the prompt receipt by Seller of all information and materials it deems necessary. In the event Buyer does not provide sufficient information for Seller to perform, Seller reserves the right to make deliveries based on information contained in prior, and Buyer consents to the same. Failure to deliver within the time estimated shall not be a breach on Seller's part, and in no event shall Seller be responsible for, or Buyer be entitled to, any damages of any kind whatsoever arising out of or relating to any such delay in delivery. Without limiting the foregoing, acceptance of any Good or part thereof by Buyer shall constitute a waiver of all claims for delay. Seller shall not be liable for delay or failure to fulfill any of its obligations to Buyer due to causes beyond Seller's reasonable control.

2. **Force Majeure.** Seller shall not be liable for delay or failure to fulfill any of its obligations to Buyer due to causes beyond Seller's reasonable control, including, without limitation, acts of God, acts of civil or military authority, fires, strikes, floods, storms, quarantine restrictions, war, riot, delays and/or shortages in raw or finished materials, inability to obtain necessary labor, pandemics (COVID-19), custom clearances delays, or due to any other commercial impracticability. In the event of any such cause, Seller may, at its sole option, either extend the date of delivery for a period equal to the time lost by reason of the delay.

3. **Seller's Warranty; Remedy.** For any Good or part thereof sold by Seller to Buyer, which is the product of Seller, Seller warrants title to the Good(s) and, except as noted in Section 4 below, warrants that each such Good or part is, as of the date of shipment, of the kind described or specified in the applicable Order, and free of material defects in workmanship and material. If any such Good or part, which, under normal operating conditions, proves defective in material or workmanship, as determined by an inspection by an authorized representative of Seller, Seller will: (i) refund the purchase price therefor upon return to Seller of such Good or part; or (ii) repair, rebuild, recondition or replace free of charge, F.O.B Point of Origin, such defective Good or part; provided, in each case, that Buyer promptly, and in any event no later than fifteen (15) months from the date of delivery or, if the Good or part thereof is installed by Seller, twelve (12) months from the date of installation, sends written notice to Seller of the defect and establishes, to the reasonable satisfaction of Seller, that such Good or part has been properly and customarily installed, maintained, and operated. Notwithstanding and without limiting the foregoing, Seller shall have no obligation to repair or replace any perishable Good or part thereof, or any Good or part thereof which is: (a) damaged by misuse, accident, negligence, improper installation, unauthorized or improper maintenance or equipment application; (b) altered outside of Seller's plant; or (c) at any time while Buyer is in default of any of its obligations to Seller. THE WARRANTIES STATED IN THIS PARAGRAPH ARE EXCLUSIVE AND IN LIEU OF, AND THE SELLER HEREBY DISCLAIMS AND THERE SHALL BE EXCLUDED FROM THE RELATIONSHIP BETWEEN BUYER AND THE SELLER, ALL OTHER WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS, OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

4. **Disclaimer of Warranty for Third Party Products.** ANY SEPARATELY LISTED ITEM(S) OF THE GOODS WHICH IS NOT A PRODUCT OF SELLER IS NOT WARRANTED BY THE SELLER AND SHALL BE COVERED ONLY BY THE EXPRESS WARRANTY(S), IF ANY, OF THE MANUFACTURER THEREOF. IN RESPECT OF THE SAME, SELLER HEREBY ASSIGNS TO BUYER, TO THE EXTENT ASSIGNABLE, SUCH MANUFACTURER'S WARRANTY FOR SUCH GOOD OR PART, AND SELLER SELLS SUCH GOOD OR PART TO BUYER "AS IS" AND "WITH ALL FAULTS" AND SELLER DISCLAIMS, AND THERE SHALL BE EXCLUDED FROM THE RELATIONSHIP BETWEEN BUYER AND SELLER, ANY WARRANTY, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF TITLE AND ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO SUCH GOOD OR PART.

5. **Working Papers.** All working papers and drawings, writings, data, designs, specifications, and other materials and information (collectively, "Working Papers") provided by Seller are for informational purposes only and are not binding on Seller in any way whatsoever. All such materials and information furnished by Seller shall remain the property of Seller and are intended for confidential use only. Buyer agrees to hold all such materials and information in strict confidence and to not use such materials and information in any way detrimental to the interests of Seller. Buyer must promptly, but in any event within thirty (30) days, return to Seller all such Working Papers upon Seller's request. Seller reserves the right to make, at any time or times, and without notice, any change in detail, design, or construction to any Good or part thereof and, in the event of any such change, Seller shall have no obligation whatsoever to make similar changes to any Good or part thereof previously delivered to Buyer.

6. **Buyer Specifications.** In any proposal comprising a quotation by Seller for any Good or part thereof that is based on Buyer's requirements as Seller understands them, Buyer acknowledges that Buyer alone has determined that materials purchased or processed will suitably meet the requirements of Buyer's intended use. If any Good or part thereof provided to Buyer is to be prepared for manufacture, manufactured, or packaged according to Buyer's design, specification, or instruction, Buyer agrees to indemnify, defend, and hold harmless Seller against any claim, expense, liability, or loss resulting from any claimed infringements or other misappropriation of patents, trademarks, copyrights, designs, and any and all other intellectual property rights arising out of or otherwise in connection with Buyer's design, specification or instruction.

7. **Prices.** Prices are those in effect at the time an Order is accepted by Seller and are subject to change by Seller without notice. Seller shall have the right to increase prices to reflect any increase in costs arising after the date of any quotation as a result of, but not limited to: (i) any alteration in or addition to Buyer's requirements; (ii) Buyer's instructions or lack of instructions; (iii) any interruptions, delays, overtime work, mistakes, alterations arising from the work of other contractors found to be outside agreed tolerances, delays caused by other contractors, and any other cause for which the Seller is not directly responsible; and (iv) any increase in any tax, duty or levy imposed on Goods that affect contract prices in any manner. If Buyer objects to any such increase in the costs of Goods, then Seller may, at its option and with no liability to Buyer, cancel any or all such unfilled Orders and Buyer shall have no claim against Seller with respect to any such canceled and unfilled Order. Orders not shipped within six (6) months of scheduled delivery date due to any delay caused by Buyer may be subject to price escalation in Seller's reasonable discretion. Except as expressly stated on an applicable Order, Seller's prices do not include sales, use, excise, and similar taxes and charges or import duties, and in addition to the price specified on an applicable Order, the amount of any present or future sales, use, excise, and similar tax and charge or import duty applicable to the delivery of any Good or part thereof or to the use of any Good or part thereof by Buyer, or any value-added or added value tax, shall be added to the price of the Goods sold by Seller to Buyer or billed separately by Seller, and in any event shall be paid by Buyer.

8. **Payments.** Unless otherwise agreed to in a writing signed by a duly authorized officer of Seller, Buyer shall pay to Seller a twenty percent (20%) non-refundable down payment of the total purchase price immediately at time of Order placement by Buyer to Seller. In the event that this down payment is not received by Seller within fifteen (15) days from the date of the applicable Order, Seller shall have the right, but not the obligation, to cancel Buyer's order without any liability. Buyer shall pay to Seller a seventy percent (70%) down payment prior to the shipment of goods by the Seller and ten percent (10%) Net 25 days from delivery to the Buyer's designated location. Interest (at the rate of one and one-half percent (1.5%) per month (18% annual percentage rate) or the maximum legal rate, whichever is lower) will be charged to Buyer on all amounts owed to Seller hereunder that remain outstanding after twenty-five (25) days. Seller reserves the right to modify these payment terms at any time prior to delivery upon reasonable notice to Buyer. Buyer's failure to pay on this or on any other obligation to Seller in a timely fashion will entitle Seller to hold delivery of accepted and/or completed orders until appropriate payment is made. Payment terms are subject to ongoing satisfactory credit approval of Buyer. Seller may, at any time, suspend performance and/or cancel further performance of any order or require full or partial payment in cash, delivery of security and collateral, or other adequate assurance satisfactory to Seller when, in Seller's judgment, the financial condition of Buyer or other grounds for insecurity warrant such action. Buyer agrees to pay all collection expenses (including, without limitation, all court costs, legal and administrative expenses, and attorneys' and other fees) paid or incurred by Seller to recover all amounts due to Seller. In the event of bankruptcy or insolvency of Buyer or in the event any proceeding is brought by or against Buyer under the bankruptcy or insolvency laws, Seller shall be entitled to cancel any order of Buyer then outstanding and shall receive reimbursement by Buyer for such cancellation as provided in Section 9.

9. **Cancellations and Returns.** An Order may be canceled by Buyer only if Buyer's written request for cancellation is accepted and agreed to in a writing signed by a duly authorized representative of Seller. Buyer agrees that if Seller accepts Buyer's written request for cancellation, any and all work that can, in Seller's judgment, be completed within thirty (30) days from the date thereof (the "Completed Work Date") shall be completed, delivered, and paid for in full by Buyer. With respect to any Good or part thereof associated with Buyer's cancelled order that, in Seller's judgment, cannot or is not completed, delivered, and paid for by Buyer at the Completed Work Date, Buyer shall be responsible, and make payment to Seller, for Seller's lost profits with respect to such good or part thereof, which amount shall be computed as that portion of the work completed up to and including the date that Seller agrees in writing to Buyer's cancellation based on the purchase price and the percentage of work completed, all of Seller's reasonable costs and expenses (including, without limitation, any materials or supplies procured or for which definite commitments have been made in connection with Buyer's order), and a cancellation fee of fifteen percent (15%) of the foregoing amounts.

10. **Storage.** Any item, component or other material utilized with respect to the Good(s) or part thereof on which manufacture or shipment is delayed by causes within Buyer's control may be placed in storage by the Seller for Buyer's account and risk, either at the Seller's own facility or elsewhere on Buyer's behalf and all resulting charges for storage, insurance, transport or demurrage (including the Seller's charge for storage) and incidental expenses shall be payable by Buyer. Seller may, at its option, pay such charges and expenses on behalf of Buyer and Buyer shall reimburse Seller on demand for such payment. All Good(s) may be invoiced on the day they are put into storage, and, for the purposes of payment by Buyer and liability hereunder, such Good(s) shall be deemed to have been delivered and the risk of loss shall pass to Buyer on that day.

11. **Grant of Security Interest.** To secure the full and prompt payment and performance of any and all debts, liabilities, agreements, covenants, warranties, obligations, and amounts from time to time now or hereafter owing by Buyer to Seller and/or to any of Seller's affiliates (the "Obligations"), Buyer, in consideration of Seller's obligations hereunder, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, grants to Seller, for itself and as agent for each and all of its affiliates (as the case may be, the "Secured Party") a continuing first priority security interest in and lien against any Good or part thereof tendered for delivery to Buyer by Seller or any of Seller's affiliates, together with any and all additions, accessions and replacements thereto and proceeds and products thereof, whether now owned or existing or hereafter acquired or coming into existence (collectively, the "Collateral"). For purposes of this Section 11, an "affiliate" of Seller shall mean each corporation or business entity that now or at any time hereafter, directly or indirectly, controls, is controlled by or is under common control with Seller, including, without limitation, all current and hereafter existing corporations and business entities having not less than ten percent (10%) common ownership with Seller. Buyer agrees that any Good or part thereof tendered for delivery by Seller or any of its affiliates will be used primarily for business purposes. Buyer irrevocably appoints Secured Party as Buyer's attorney-in-fact with full authority to take any action and to prepare, execute and/or file any instrument that Secured Party deems necessary to carry out the terms herein and to perfect, and maintain the perfection of, Secured Party's lien against and first priority security interest in the Collateral. Buyer agrees to pay any and all costs and expenses in connection with the actions taken by Secured Party in connection with the preceding sentence, or to reimburse Secured Party for the same. Buyer agrees not to permit any of the Collateral to become a fixture to any real estate that is not subject to a mortgage or deed of trust made by Buyer in favor of Secured Party. Upon the happening of any of the following events or conditions: (i) default by Buyer in the payment or performance of any of the Obligations; (ii) Buyer becomes insolvent, is generally unable to pay its debts as they become due, makes an assignment for the benefit of creditors, calls a meeting of creditors for the composition of debts, or makes any material misrepresentation in connection with any of the Obligations; (iii) there shall be filed by or against Buyer a petition for bankruptcy or for reorganization or a custodian, receiver or agent is appointed or authorized to take charge of any of its properties; (iv) there shall occur any material and adverse change in the business operations and conditions of Buyer; (v) there shall occur a material casualty loss with respect to the Collateral or other security for any of the Obligations, which is not covered by insurance; (vi) the Collateral or other security for any of the Obligations shall decline in value with the result that Secured Party's security for the Obligations is materially diminished; or (vii) Secured Party deems itself insecure, then Secured Party may, at its sole option, declare the entire amount of the Obligations then outstanding due and payable at once and, in addition to all other rights and remedies provided herein or otherwise applicable to it, exercise all rights and remedies of a secured party under applicable law. Buyer agrees that any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is mailed to the address of Buyer set forth on any applicable Order or as otherwise known by Seller at least ten (10) days prior to the time of such disposition.

12. **Governing Law and Jurisdiction.** The agreement between Buyer and Seller and the Terms shall be construed to be between merchants and shall be governed by, and construed in accordance with, the laws of the State of Michigan, without application of the conflict of law principles thereof. Seller intends to comply with all laws applicable to any good or part thereof delivered; provided, however, that any failure of Seller to so comply shall not be a defense to, or excuse Buyer from, any of Buyer's obligations to Seller. Any court action which may be brought by any party pertaining to any Order, quote or these Terms shall be brought in federal or state courts having situs in the Western District of Michigan. The parties consent to personal jurisdiction and venue by state and federal courts in Ohio for any action pertaining to these Terms or any Order by personal service of process within or without the State of Michigan. The parties agree that the United Nations Convention on International Sale of Goods shall have no force or effect on transactions relating to these Terms or any Goods or part thereof.

13. **Limitation of Liability.** The total liability of Seller (beyond any express warranty obligation) to Buyer from any cause whatsoever, whether arising under contract, warranty, tort (including negligence), strict liability, products liability or any other theory of liability will be limited to the lesser of:

(i) Buyer's actual damages or (ii) the purchase price paid to Seller for the Good(s) that is the subject of Buyer's claim. Except for the warranty and remedy therefor set forth in Section 3 hereinabove, SELLER SHALL NOT HAVE ANY LIABILITY OR OBLIGATION TO BUYER OR ANY OTHER PERSON FOR ANY CLAIM, LOSS, DAMAGE, OR EXPENSE CAUSED IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, BY THE INADEQUACY OF ANY GOODS OR PART THEREOF FOR ANY PURPOSE, BY ANY DEFICIENCY OR DEFECT IN ANY GOODS OR PART THEREOF (WHETHER OR NOT COVERED BY ANY WARRANTY), BY THE USE OR PERFORMANCE OF ANY GOODS OR PART THEREOF OR BY ANY FAILURE OR DELAY IN SELLER'S PERFORMANCE HEREUNDER, OR FOR ANY SPECIAL, DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, HOWEVER CAUSED, INCLUDING, WITHOUT LIMITATION, PERSONAL INJURY OR LOSS OF BUSINESS OR PROFIT, WHETHER OR NOT BUYER WILL HAVE INFORMED SELLER OF THE POSSIBILITY OR LIKELIHOOD OF ANY SUCH DAMAGES. All claims hereunder against Seller must be brought within twelve (12) months after the cause of action arises and Buyer expressly agrees to this 12-month period and waives any other statute of limitations which might apply by operation of law or otherwise including under the Uniform Commercial Code.

14. **Indemnity.** Buyer shall defend Seller against any infringement suit on account of any apparatus or material not directly furnished by the Seller and indemnify Seller against any judgment for damages and costs which may be rendered against Seller in any said suit. It is specifically understood and agreed that the title in all inventions and any and all patents, which may be subsequently issued thereon relating to the designing and developing of the Good by Seller, shall remain the sole property of Seller. Buyer shall use and shall require its employees and agents to use all safety devices and proper safety operating procedures, including, without limitation, those set forth in any Working Papers and related documents furnished or made available to Buyer. Buyer shall not remove or modify any such safety device. Buyer will indemnify, defend, and hold harmless Seller from any liability or obligation incurred in connection with the operation of any Good or part thereof. Buyer shall assume the sole responsibility and all risk for any and all loss, damage, or injury (including death) to any and all persons (including, without limitation, to employees and agents of Buyer and Seller) and to all property in connection with the performance of its obligations hereunder or any act or omission of Buyer, and shall indemnify, defend, and hold harmless Seller from and against any and all claims, liabilities, expenses (including, without limitation, attorneys' fees), fines, penalties, damages, and economic losses of whatsoever nature associated therewith. Buyer hereby releases and waives all rights of subrogation against Seller possessed by Buyer's insurers and hereby represents that it is authorized by its insurers to grant such release and waiver.

15. **Assignment.** Buyer's assignment of its Order, or of any interest thereof or of any right of Buyer against Seller or obligation of Buyer to Seller, without the written consent of the Seller, shall be void and shall entitle Seller to cancel such Order and to obtain from Buyer the cancellation charges described in Section 9. Seller may assign its rights and/or obligations relating to Buyer's order(s) to Seller upon notice to, but without the necessity of the consent of, Buyer.

16. **Export Restrictions.** Goods may be subject to export or resale restriction or regulation, and Buyer acknowledges that it will comply with such restrictions and regulations. Any statement as to product country of origin, Export Control Classification Number, or compliance with applicable law is as provided to Seller by its suppliers, and Seller does not warrant its accuracy and will not be liable for any error with regard to same.

17. **General.** The Terms and the Order(s) to which these Terms are attached constitute the entire and only agreement by and between Buyer and Seller respecting the subject matter of Orders placed by Buyer to Seller and supersede all prior agreements or understandings, whether written or oral. Any representation, affirmation of fact, and course of prior dealings, promise or condition in connection therewith or usage of trade not incorporated herein shall not be binding on any party. The headings preceding any text herein are inserted for convenience of reference purposes and shall not in any way affect the meaning, construction, or effect of the text. Any failure by a party to exercise any right shall not constitute or be deemed a waiver or forfeiture of such right or any other rights. Only a duly authorized officer of Seller has the authority to alter, vary, or waive any of the Terms and no waiver, alteration or modification of any of the Terms shall be binding unless in writing and signed by a duly authorized officer of Seller. Unless designated in writing by a duly authorized officer of Seller, no sales representative of Seller shall have such authority. If any of the Terms shall be held by a court of competent jurisdiction to be contrary to any law or be deemed unenforceable, the remaining Terms shall remain in full force and effect with such contrary or unenforceable provision limited or excluded to the minimum extent required under applicable law. All rights of Seller and Secured Party, as the case may be, hereunder shall inure to the benefit of their respective heirs, executors, administrators, and assigns and all obligations of Buyer hereunder shall bind the heirs, executors, administrators, successors, and assigns of Buyer. If there is more than one Buyer, their obligations shall be joint and several.