

Terms & Condition

PRYCO, INC.

P. O. Box 108

Mechanicsburg, IL 62545

THE FOLLOWING CONDITIONS SHALL GOVERN PURCHASE ORDERS BASED ON PRYCO INC, QUOTATIONS:

Quotations are not binding upon Pryco Inc. ("Seller") until accepted by an authorized employee of the Seller

- 1. ACCEPTANCE** – The receipt of a purchase order from the party identified on a Pryco Inc. quotation as the buyer (the "Buyer") for the goods described on said quotation (the "Goods") shall be conclusively deemed an unconditional acceptance by the Buyer of this offer and all terms and conditions hereof notwithstanding and provisions of any purchase order or other document provided or offered by the Buyer to the contrary. Seller reserves the right to accept or reject all purchase orders received pursuant to this quotation.
- 2. AGENT'S AUTHORITY** - Buyer agrees that no agent, employee or representative of Seller has authority to bind Seller to any affirmation, representation, or warranty concerning the Goods other than those warranties expressly set forth herein.
- 3. PRICES** – Prices quoted are only for quantities of Goods specified on the quotation. Unless specifically noted, pricing is valid for thirty (30) days. Pryco Inc. reserves the right to adjust prices at any time without notice. The purchase price for Goods specified in the purchase order for less than the quantity on the quotation will be the Seller's price for the next lower quantity. If the Buyer requests pre-production samples or that an order be filled in partial quantities, the Buyer agrees to pay additional charge, to be determined by the Seller. Custom drawings for Buyer approval are provided at no additional cost on a one time basis per order. If changes and/or revisions to the initial drawings are requested on the part of the Buyer, a drawing fee of \$80.00 per hour shall be added to the Buyer's cost.
- 4. SHIPMENT** – Unless otherwise noted, all sales shall be F.O.B., Point Of Shipment. Upon carrier collection of goods at Point Of Shipment; Pryco, Inc. 301 East Garvey, Mechanicsburg, IL 62545, title shall pass to the carrier and thereafter all risk of loss or damage shall be upon Buyer. Claims for loss or damage of material while in transit and during the unloading process at Buyer's destination are subject to regulations of the carrier and therefor the responsibility of the Buyer. Shortages or damages concealed by packaging must be brought to Seller's attention within 24 hours of delivery. Seller reserves the right to designate routing and means on all shipments. When carrier or transportation preferences are not clearly defined by the Buyer, on the Purchase Order, the means of transportation will be arranged according to the Seller's best judgement and no claim for adjustment of the transportation will be allowed. Seller will attempt to honor, but does not guarantee shipping date requests of Buyer. Claims for loss or damage of material while in transit and/or delivery are subject to regulations of the carrier and are the responsibility of the Buyer. Shortages or damages concealed by packaging must be brought to Seller's attention within 24 hours of receipt of shipment. Orders may be filled by partial or complete shipments. Delay in delivery of any part of the Goods shall not relieve Buyer from its obligation to accept and pay for the remaining Goods.
- 5. PAYMENT** – In the event payment is not made by the Buyer as provided herein, Buyer agrees to pay interest on the unpaid amount at the rate of the lesser of 2% per month, or the greatest rate allowed by law. Notwithstanding the forgoing, if, at any time, Seller, in good faith, determines that Buyer's credit shall have become impaired, Seller may decline to make shipment hereunder, except in exchange for cash in advance.
- 6. WARRANTIES** – Seller warrants the Goods will be as described on the face hereof, will be free from any defects in material and workmanship at the time of delivery and will be manufactured in accordance with the Fair Labor Standard Act of 1938, as amended. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED. In order to assert a claim for breach of warranty, Buyer must contact Seller within one (1) year from date of sale determined by invoice date and which Seller's examination shall disclose to its satisfaction to thus defective. This remedy is agreed by Buyer and Seller to constitute a sole and exclusive remedy and all sales are made subject to the conditions that Seller is not liable for consequential damage or for personal injuries of Buyer or its agents thereof. Seller will not warrant installation of Goods by Buyer or its agents. Seller will not be responsible for service, labor or other expenses incurred by buyer, their customers or agent for replacement of defective goods.
- 7. EXCLUSIVE REMEDY** – The exclusive remedy of the Buyer for any breach of the warranties set out in Section (7) will be, in Seller's sole discretion, the replacement or repair of the Defective Goods without charge to Buyer, provided Buyer pays shipping charges for return of such Goods to Seller.
- 8. LIMITATION OF DAMAGE** – In the event of a breach hereof, Seller will not under any circumstance be liable for consequential or incidental damage or expenses of the Buyer including without limitation lost profits, whether or not the Seller has been advised of the same.
- 9. BUYER'S INDEMNITY** – The Buyer shall indemnify and hold Seller harmless from and against any and all losses, damages and expenses (including attorneys' fees and other costs of defending any action) that the Seller may sustain or incur as a result of any claim of negligence, breach of implied warranty or strict liability by the Buyer, its successors, agents, assigns or customers, whether direct or indirect, in connection with the use of the Goods.
- 10. FORCE, MAJEURE; ALLOCATIONS** – Failure of Seller to make or Buyer to take all or any shipment hereunder, if such failure is due to act of God, war, embargoes, and any other similar cause beyond the control of the party so failing, shall not subject such party to any liability to the other party, and in such event, at the request of either party the total quantity of products to be shipped due to such causes. Should Seller at any time be unable to supply its own and all of its customers requirements (including customers not under supply contract) of any product, Seller will allocate its available supply of products to its customers on such terms as it, in the exercise of its discretion, deems advisable, and in such event Seller will not be liable for failure to ship Buyer the full quantity of such products and the balance of the order not shipped will be cancelled, For purpose hereof, Seller's customers shall be deemed to include the subsidiaries and affiliates of Seller.

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Terms & Conditions continued

11. **CANCELLATIONS** – Orders for Goods may be cancelled by the Buyer only upon immediate payment by Buyer of all of the foregoing: (a) for all completed work, the individual unit price of the order, (b) for all partially completed work, the percentage of completion (as determined by Seller in its sole discretion) multiplied by the individual unit price of the order, and (c) for all raw material, packaging, components, and engineering work, the actual cost to Seller there-fore, plus reasonable handling and general overhead charges as determined by the Seller.
12. **STOP ORDERS** – Buyer may put its purchase order on hold only if it provides to Seller a written stop work order, which shall be valid for only fourteen (14) days from receipt by Seller. No later than fourteen (14) days after the date of the stop work order, Buyer shall proceed with its purchase order or shall pay cancellation charges as noted in Section 11. If the Buyer fails to indicate its decision, it shall be deemed to have elected to pay cancellation charges.
13. **INFRINGEMENT** – In the event that Buyer has specified certain requirements for the Goods, the Buyer shall defend, indemnify and hold harmless against any and all claims, expenses (including reasonable attorneys' fees), or losses suffered or incurred by Seller as a result of or arising out of a claim that any Goods infringe on any patent, trademark, service mark, copyright or other intellectual property right of any other person or entity.
14. **PROPRIETARY INFORMATION – CONFIDENTIALITY** – Buyer shall consider all information furnished by Seller to be confidential and shall not disclose any such information to any other person or entity. This obligation shall apply to viewings of Seller's process and production facilities, drawings, specifica-tions, or other documents prepared by Seller for Buyer. The prior two sentences shall not apply to any information that is generally publicly known at the time of disclosure to the Buyer, or that is subsequently publicly disclosed without any breach by any obligation or duty to the Seller. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Buyer to Seller shall be deemed secret or confidential and Buyer shall have no rights against Seller with respect thereto except such rights as may exist under patent laws.
15. **WAIVER** – Waiver by either Seller or Buyer of a breach of any provision hereof shall not be deemed a waiver of any current or future noncompliance there-with and such provision shall remain in full force and effect.
16. **SOLE AGREEMENT** – This writing is intended by parties as a final and complete expression of their agreement with respect to the subject matter hereof, and shall supersede all prior understandings, writings, negotiations and agreement with respect thereto. The terms and conditions set out herein may be amended only by a writing specifically referencing that it is intended to modify this quotation and signed by duly authorized agent of the parties. The express terms hereof shall not be varied by any course of dealing, performance or usage of trade. Any different, conflicting or additional terms in any purchase order, document or the like provided or offered by the Buyer are hereby expressly rejected.
17. **DISPUTES** – Any dispute arising under this quotation which is not settled by agreement of the parties may, upon the election of Seller, be decided by arbitra-tion pursuant to the rules of the American Arbitration Association. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this order. Buyer shall pay for all Goods delivered and Seller may elect to proceed or to stop performance hereunder.
18. **WEBSITE AND DOCUMENTS** – Seller Standard Terms and Conditions and any updates thereto are incorporated herein and are binding on Buyer, and Buyer acknowledges having access to such documents. If Buyer is unable to access the Sellers website, Buyer may notify Seller by phone at 217-364-4467 to obtain a copy from Seller.