WARDCRAFT (SELLER) CONVEYOR and QUICK DIE CHANGE TERMS AND CONDITIONS

- 1. **Quotations.** All prices quoted are for immediate acceptance and are firm for ten (10) days from the date of quotation. After that time, all pricing is subject to review.
- 2. **Payment.** All invoices are due and payable in full by Buyer in U.S. Dollars the earlier of (i) net 30 days after the date of invoice or (ii) other written pre-approved terms must be negotiated prior to order acceptance.

Special terms may be applicable to any project in excess of \$15,000. Purchaser is subject to interest charges of 1.5% per month or the maximum rate allowed by applicable law of unpaid balance. If shipment is delayed by Purchaser, Seller will hold the equipment at Purchaser's risk, and payment will be due 30 days from the date equipment was ready to ship. If Buyer becomes the subject of a bankruptcy or other insolvency proceeding, or fails to pay Seller's invoices as they become due, Seller reserves the right to: (a) delay or cancel any Sales Agreement then outstanding and receive full reimbursement for its cancellation damages pursuant to Paragraph 8 below; (b) modify terms prior to shipment; (c) require "Cash in Advance" terms; or (d) delay or cancel any shipment.

Standard Credit Terms - *Special terms may be applicable for any project in excess of \$15,000. In addition, the company reserves the right to change its standard credit terms prior to accepting any order*

DOMESTIC: Orders less than or equal to \$15,000, net 30 days; Orders *greater* than \$15,000, 30% down, balance net 30 days; Orders *greater* than \$25,000, 30% down, 60% prior to shipment, 10% net 30 days; Orders *greater* than \$50,000, 20% down, 60% prior to shipment, 20% net 30 days.

INTERNATIONAL: Orders less than or equal to \$15,000, payment in full with order; Orders *greater* than \$15,000, 30% down, 60% mid-way to completion, 10% prior to shipment; Orders *greater* than \$25,000, 50% down, 40% mid- way to completion, 10% prior to shipment. **Full payment must be** received prior to shipment.

- 3. **Acceptance of Order.** All orders placed direct or through our representatives are subject to acceptance at our main offices One Wardcraft Drive, Spring Arbor, Michigan 49283-9757. Sending purchase order to the Seller constitute the acceptance of these terms and conditions.
- 4. **Taxes.** Prices quoted do not include any federal, state, or local taxes. Whenever applicable, these must be paid by Purchaser.
- 5. **Title**. The title to all merchandise shall remain with Seller and shall remain Seller's property until it has been fully paid for in U. S. funds, regardless of shipment or possession by Purchaser. Purchaser shall assume all risk of loss or damage once the equipment has been delivered to common carrier.
- 6. **Shipment**. Equipment is shipped F.O.B. from our plant, Spring Arbor, Michigan, or other specified shipping point.

Shipping charges for any samples, tryout materials, or customer supplied components will be Purchaser's responsibility. Charges for special packaging or special methods of shipment will be quoted to and paid by Purchaser.

- 7. **Delivery**. The date of shipment is estimated upon receipt of an order based on the information available, the delivery date of purchased components, and the scheduled work load. All reasonable attempts will be made to ship on the estimated date. Failure to deliver within the estimated time shall not render Seller liable for damage or loss, and shall not be reason for cancellation of the order. Seller is not responsible for any delays in shipment arising from Purchaser's failure to supply all pertinent information, fire, war, riots, strikes, acts of God, or any other event beyond Seller's control.
- 8. Cancellation. Cancellation of any order after receipt of purchase order must be agreed to by Seller and is subject to the following charges for; (a) standard items (not specific to, or designed for, this project) there will be a 25% restocking charge, (b) special items (designed or purchased specifically for this



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project) 100% of the cost will be charged, or (c) process, designed, and engineering services, direct labor hours will be charged at Seller's prevailing rates. Minimum cancellation fee is \$100.

- 9. **Returns**. Returns must be authorized in writing, in advance, by Seller and must be shipped prepaid. Special orders may not be returned.
- 10. **Changes.** Any changes requested by Purchaser after receipt of order must be in writing. If said changes alter engineering time, the cost of purchased items, or manufacturing time, pricing and delivery is subject to review.
- 11. **Hold Harmless**. To the fullest extent permitted by law, the Purchaser agrees to indemnify, defend and hold the Seller and its Officers, employees, and agents, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which 1) are caused in whole or in part by any action or omission, negligent or otherwise, of the Purchaser, its employees, agents or volunteers or Purchaser's subcontractors and their employees, agents or volunteers.
- 12. Warranty: Wardcraft Warrants its Conveyor and Quick Die Change products to be free from defects in materials and/or workmanship, and fit for the purpose for which they were sold, when properly installed and used in normal conditions under standard operating parameters, for (1) year from the date of purchase or until 2,100 hours of running time, whichever comes first. At a *MINIMUM*, Wardcraft will replace any defective part within the warranty period, without charge, subject to the following conditions:
- 1. Wardcraft is given prompt written notice of the defect from the purchaser, including the date of purchase and verification of purchase.
- 2. A Returned Goods Authorization number (RGA#) is issued to the customer and must be noted on all packages and packing slips returned with the product.
- 3. Customer is responsible for delivery costs to Wardcraft for verification that product is defective. Customer is also responsible for all shipping and insurance charges for any replacement parts shipped from Wardcraft to the customer.
- 4. Customer is responsible for any installation cost of replacement parts.
- 5. Warranty is limited to the replacement of defective parts.
- 6. Replacement of a part under warranty does not extend the term of the warranty.
- 7. Wardcraft will not be held liable for any collateral damage caused by defective parts.
- 8. Warranty does not apply if any failure is caused by unreasonable use, lack of maintenance or improper maintenance and/or repairs, incorrect adjustments, exposure to corrosive or abrasive material, water damage, or any modification or alteration of the product that is not authorized in writing by Wardcraft.
- 9. Wardcraft does not warrant product application or effectiveness unless agreed upon in writing prior to acceptance of customer order.
- 10. Warranty also does not apply to normal wear parts including but not limited to items such as belt slider surfaces, belt tracks, Quick Die Change air bags, etc.
- 11. Warranty does not apply to any purchased components not made by Wardcraft that are already covered by the original manufacturer's warranty, and is not subject to any limitations under those warranties. This includes, but not limited to: motors, reducers, chains, sprockets, electrical controls, bearings, fabric belts, casters, pneumatic or hydraulic components and cam rollers (QDC)
- 12. All equipment manufactured Wardcraft is guaranteed against defects in materials and workmanship for a period of one (1) year from shipment. Warranty on purchased items will be the same to Purchaser that is extended to Seller by supplier. No other warranties, either express or implied, shall be deemed to be in force. Warranty is null and void if the equipment has been misused, tampered with, or reworked except as specifically directed by Seller in writing. During the applicable warranty period, any defective part will be replaced, with Seller's prior authorization, if said part is returned with shipping costs prepaid to Seller.
- 13. **Patents.** It should be understood that some products sold by Seller are fully protected against patent infringement.