

Toolcraft Co., Inc.
Terms and Conditions

1. **Contract** – The contract resulting from the acceptance of this order is to be construed according to the laws of the state from which this order issued as shown by the address of Buyer, which is printed on the face of the order. This contract is non-assignable by Seller.
2. **Delivery Schedules** - Time is of the essence hereof. In accepting this order, Seller agrees to perform this order and make deliveries hereunder as required hereby. Deliveries are to be made both in quantities and at times specified in schedules furnished by Buyer. Buyer will have no liability for payment for material or items delivered to Buyer which are in excess of quantities specified in the delivery schedules. Buyer may from time to time change delivery schedules or direct temporary suspension of scheduled shipments.
3. **Warranty** – Seller expressly warrants that all the material and work covered by this order will conform to the specifications, drawings; samples or other description furnished or specified by buyer, and will be merchantable, of good material and workmanship and free from defects. Seller expressly warrants that all material covered by this order will be fit and sufficient for the purposes intended. This warranty shall survive any inspection, delivery, acceptance or payment by Buyer.
4. **Cancellation.** Buyer reserves the right to cancel all or any part of the work covered by this order if Seller does not make deliveries as specified in the schedules or so fails to make progress as to endanger timely performance of the work and does not correct such failure within ten (10) days after receipt of written notice from Buyer specifying such failure, or if Seller breaches any of the terms hereof, including the warranties of Seller.
5. **Inspection.** All material shall be received subject to Buyer's inspection and rejection. Defective material or material not in accordance with Buyer's specification will be held for Seller's instruction and at Seller's risk and, if Seller so directs, will be returned at Seller's expense. No goods returned as defective shall be replaced without a new order and schedule. Payment for material on this order prior to inspection shall not constitute an acceptance thereof, nor will acceptance discharge Seller's responsibility hereunder.
6. **Change in Specifications.** Buyer reserves the right at any time to make changes in drawings and specifications as to any material and/or work covered by this order. Any difference in price or time for performance resulting from such changes shall be equitably adjusted and the contract and/or schedule shall be modified in writing accordingly.
7. **Material Furnished by Buyer.** Any material furnished by Buyer, on other than a charge basis in connection with this order, shall be deemed as held by Seller upon consignment. All such material shall be used only in filling orders from Buyer, shall be kept separate from other material and tools and shall clearly be identified as property of Buyer. All such material not used in the manufacture of the products covered by this purchase order shall as directed, be returned to Buyer at Buyer's expense, and, if not accounted for or so returned, shall be paid for by Seller. All such material, including, but not limited to, tools, dies, gauges, jigs,

- fixtures, etc. owned by buyer, shall be fully covered by Seller with fire and extended coverage insurance. Seller shall indemnify Buyer against any and all liability for damage to said property of injury or damage to others including Seller's employees, arising out of or in connection with the presence of use of said property whether such injury or damage is caused by defect in the property, negligence in the use thereof or otherwise.
8. Tools. Unless otherwise herein agreed, Seller at its own expense shall furnish, keep in good condition and replace when necessary all dies, tools, gauges, fixtures, patterns, etc. that are special for the production of the material covered by this order and shall pay to Seller any unamortized cost thereof, provided however, that this option shall not apply if the material hereby ordered is standard product of Seller or if substantial quantity of like material is being sold by Seller to others.
 9. Confidential information and inventions. Seller agrees not to utilize or to disclose to others any confidential informative drawings or data, whether or not designated as such, supplied furnished or disclosed by Buyer except as reasonably required for the purpose of filing this order. All inventions or ideas, whether patentable or not, made, conceived, developed or acquired by Seller incident to the filling of this order shall vest in and inure to Buyer's sole benefit.
 10. Patents. By accepting this order, Seller agrees at its own expense to defend, protect and save harmless Buyer, its successors, assigns, customers, and users of this products, against all suits at law or in equity