

Value Tool & Engineering, Inc.

TERMS AND CONDITIONS OF SALE AND WARRANTY

1. APPLICABLE TERMS AND CONDITIONS

Buyer's order is expressly conditioned upon the applicability of the Value Tool & Engineering, Inc., (VTE) Terms and Conditions only and any terms and conditions stated by the Buyer are herein rejected and shall not be binding on VTE unless such terms or conditions are expressly accepted in writing by The acknowledgement of the order by VTE or commencement of any performance by VTE pursuant to the order shall constitute Buyer's acceptance of the VTE terms and conditions including the prices set forth herein.

2. DELIVERY

Delivery shall be accomplished FCA VTE's plant. In the event VTE prepays the transportation charges, Buyer shall be obligated to reimburse VTE upon receipt of an invoice for such charges. VTE shall exert its best efforts to deliver the products ordered herein within the time specified on the face of this order or if no time is specified within the normal lead time necessary for VTE to deliver the products sold hereunder. Title and risk of loss, damage or destruction shall pass to Buyer upon delivery of the products at the FCA point.

3. FORCE MAJEURE

VTE shall be excused from delays in delivery and performance of other contractual obligations under this order caused by acts or omissions that are beyond the control and without the fault or negligence of VTE, including but not limited to Government embargoes, blockades, seizure or freeze of assets, delays or refusals to grant an export or import license or the suspension or revocation thereof, or any other acts of any Government; fires, floods, severe weather conditions, or any other acts of God; quarantines; labor strikes or lockouts; riots; strife; insurrection; civil disobedience, war; material shortages or delays in deliveries to VTE by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms and payments under any letters of credit shall be extended for a period of time equal to the period of delay. If the force majeure circumstances extend for six months, VTE may, at its option, terminate the order and return any prepayment without penalty and without being deemed in default or in breach thereof.

4. PAYMENTS

All payments shall be made in accordance with the written terms of the order. Unless otherwise stated this is 30 Days All payments shall be made in United States Currency. In the event payments are not made in a timely manner VTE may, in addition to all other remedies provide by law, either: (1) declare Buyer's performance in breach and terminate this order for default; (2) withhold future shipments under this order until delinquent payments are made; (3) deliver future shipments under this order on a cash with order or cash in advance basis even after delinquency is cured; (4) charge interest on the delinquency at a rate of 1-1/2 percent per month or the maximum rate permitted by law, if lower, each month or part thereof of delinquency in payment plus applicable storage charges, or inventory carrying charges; or (5) combine any of the rights and remedies as is practicable and permitted by law. The buyer is prohibited from setting off any and all monies owed under this order from any other sums, whether liquidated or not, that are or may be due by the Buyer, which rises out of a different transaction with VTE.

5. WARRANTY

VTE warrants that at the time of delivery to Buyer, its products will conform to applicable drawings and specifications supplied to VTE, and will be free from defects in material and workmanship. Written notice of any claimed defect or nonconformity must be given to VTE within ninety (90) days after such defect or nonconformity is first discovered, and any claim under this warranty must be filed within a period of one (1) year from the date of delivery to Buyer. VTE will, at its option, repair, replace or extend credit for, at its facility, the product or component part thereof that is determined by VTE to be other than as herein warranted. Transportation charges covering the return of any claimed defective or nonconforming product shall be prepaid by Buyer. VTE will not reimburse buyer for any work done by another party regardless of circumstances. This warranty does not extend to: 1) any losses due to alteration, accident, misuse, abuse, neglect, normal wear and tear, or improper installation, maintenance or application, or damage that is attributable to acts of God; 2) products that have been repaired or altered outside of VTE facility unless authorized in writing by VTE, or unless such installation, repair or alteration is performed by VTE; 3) any labor charges for removal and/or replacement of the nonconforming or defective product or part thereof; 4) any product that contains a component part not manufactured by VTE unless approved in advance in writing by VTE; 5) damage which occurs in shipment; 6) failures which are caused by products not supplied by VTE; or 7) any other than the original purchaser. Service can be obtained during the warranty by following the return procedures listed under section **RETURNS**. THIS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES OR MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND IN NO EVENT WILL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

6. INSPECTION

The Buyer shall inspect and accept any products delivered pursuant to this order within thirty (30) days after receipt of such products. In the event the products do not conform to any applicable drawings, designs or specifications, the Buyer shall promptly notify VTE of such nonconformance in writing. VTE shall have a reasonable opportunity to repair or replace the nonconforming product at its option. The Buyer shall be deemed to have accepted any products delivered hereunder and to have waived any such nonconformance in the event such a written notification is not received by VTE within thirty (30) days after receipt of such products.

7. RETURNS

The Buyer may return Product(s) by 1.) obtaining a Return Material Authorization (RMA) number by calling Value Tool & engineering, Inc. at (574) 246-1913 or email customersupport@valuetooleng.com; 2) carefully pack and ship your product prepaid, adequately insured and preferably in the original carton, to: **Value Tool & Engineering, Inc., 2629 FOUNDATION DRIVE, SOUTH BEND INDIANA 46628**. Mark the RMA number on the outside of the shipping carton and enclose a letter referencing the RMA number and detailing the complaint. Custom items are non-returnable.

8. INSOLVENCY

Value may terminate for default the whole or any part of this order in the event of the suspension of the Buyer's business, insolvency of purchaser, the institution by purchaser or other of bankruptcy, reorganization, receivership arrangement, liquidation or similar proceedings involving or affecting the purchaser, or any assignment for the benefit of creditors.

9. PATENT PROTECTION AND INTELLECTUAL PROPERTY

VTE shall, with respect to any goods of VTE design & manufacture, indemnify the purchaser from any and all damages and costs as finally determined by a court of competent jurisdiction in any suit for infringement of any United States Patent, or any patent issued by the country in which the Buyer is domiciled, by reason of the sale or normal use of any goods sold to the Buyer hereunder and from reasonable expenses incurred by the Buyer in defense of such suit if VTE does not undertake the defense thereof, provided that VTE is promptly notified of such suit, and the Buyer offers VTE either (1) full and exclusive control of the defense of such suit when products of VTE only are involved therein, or (2) the right to participate in the defense of such suit when products other than those of VTE are also involved therein. VTE has indemnified the Buyer herein and under the same conditions as set forth herein. In no event shall VTE indemnify against suit for infringement of any patent issued by any country not a member of the "International Union for the Protection of the Industrial Property" nor shall VTE indemnify against suit for infringement of any patent issued by any country with which the United States does not maintain diplomatic relations. The VTE liability hereunder shall be limited to the actual direct damages and costs computed solely on the value of any goods sold to the Buyer hereunder as finally determined by a court of competent jurisdiction in any suit for infringement and to the reasonable expenses incurred by the Buyer in defense of such suit of VTE does not undertake the defense thereof. In no event shall VTE be liable for the consequential damages or costs applicable thereto. The above is in lieu of any other indemnity of warranty, expressed or implied, with respect to patents.

10. TAXES

Unless otherwise specifically designated in this order, the prices stated herein do not include sums necessary to cover any taxes, duties or other charges, including but not limited to excise, inventory, sales or use taxes or import duties upon the production, sale distribution, or delivery of products or furnishing of services hereunder. Any taxes, duties or other charges that are due and owing hereunder shall be paid by the Buyer.

11. NON-ASSIGNMENT

The Buyer shall not transfer or assign in whole or in part this order or any rights or interests hereunder without the prior written consent of Value Tool & engineering, Inc.

12. APPLICABLE LAW

The laws governing the construction and interpretation of this order shall be the laws of the State of Indiana. The venue of any legal or equitable action under this order shall be in the Federal or State courts located in the State of Indiana, United States of America.