

Customer Terms and Conditions

Clause 1. Entire Agreement. The parties agree that there are no understandings, agreements or representation, express or implied, not specified herein, respecting this offer or sale, and that this instrument contains the entire agreement between the Seller and Buyer. No prior waiver, course of prior dealing or usage of the trade shall be relevant to supplement or to explain terms used in this agreement.

Clause 2. Price and Quotations. Prices are subject to change by Seller. All tooling and equipment Seller produces or acquires for purposes of filling the order shall remain property of Seller. Quotations are limited to the specific processes and thread rolling, machining or grinding services quoted therein; processes not specifically quoted will not be provided even if such processes and treatments are referenced in general specifications set forth in Seller's Quotation unless such Quotation is modified in writing to specifically quote such additional processes and treatments and the charges therefore. Buyer acknowledges that, unless specifically set forth in its purchase order and/or specifications, Seller does not know the handling, manufacturing and processing history of the parts and material provided to Seller for processing, thread rolling, machining or grinding.

Clause 3. Processes. Seller has performed only the specific processes as set forth in its Invoice and/or Certificate of Conformance. Buyer acknowledges that, unless specifically set forth in its purchase order and/or specifications, Seller does not know the handling, manufacturing and processing history of the parts and material provided.

Clause 4. Delivery. Unless otherwise specified on the quotation, all deliveries are FOB point of shipment and based on the prompt receipt of all necessary information from the Buyer. Seller shall not be liable for failure or delay in shipping goods hereunder if such failure or delay is due to an act of natural disaster, war, labor difficulties, accident, strikes, lockouts, civil disorders, governmental priorities or embargoes, inability or difficulty in obtaining raw materials or supplies at customary terms and prices or any other causes or failure of presumed conditions of any kind whatsoever which are either beyond the reasonable control of the Seller of which would make impracticable the fulfillment of Seller's obligations hereunder. Buyer shall not refuse to accept deliveries so delayed.

Clause 5. Inspection and Acceptance. Parts and/or material processed by Seller shall be presumed to be inspected and accepted as satisfactory by Buyer if Seller is not notified of damages, shortages, or other discrepancies within ten (10) working days of Buyer's receipt of such parts and/or material. Seller's permission must be obtained in writing before any products are returned by buyer. All returns freight must be prepaid by Buyer; unless previously agreed upon with seller. Rejected parts and/or material must be returned to Seller for rework where deemed possible and previously agreed upon. Further processing of rejected parts and/or material by Buyer or any other party shall constitute a waiver of any liability on Seller's part. Failure by Buyer to object or reject products or materials delivered hereunder, in writing within 10 days from the date of shipment of the products or materials, shall constitute an acceptance and waiver by Buyer of all claims hereunder because of alleged errors, shortages, defective workmanship, breach of warranty or otherwise, discoverable upon inspection by Buyer.

Clause 6. Warranty. Where Seller is given detailed instructions as to process services to be performed, Seller warrants that it has reasonably followed such instructions, BUT MAKES NO OTHER WARRANTIES WHATSOEVER REGARDING SUCH SERVICES.

Clause 7. Limitation of Seller's Liability.

Seller's liability on any claim with respect to Buyer's parts and/or material directly damaged by Seller's thread rolling, machining or grinding is limited to (a) direct labor and material cost of such parts and

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materials. Notwithstanding the forgoing or anything to the contrary contained herein, the aggregate cumulative liability of Seller to Buyer with respect to all goods and services provided to Buyer, whether pursuant to these terms and conditions, the Seller's quotation or otherwise and whether arising in contract, tort (including, without limitation, negligence), or otherwise, shall under no circumstances exceed an amount equal to three (3) times Seller's charges for the particular services or goods which are the subject matter of a claim by Buyer. As a contingency of the respective liability or claim, Seller has the right to take possession of Buyer's parts related to claim, witness destruction, and/or agree to disposition of parts, as a contingency of liability or claim payment. Seller is not responsible for the results of thread rolling, machining or grinding operations that are unsatisfactory due to metal imperfections, changes in grade or composition of material, manufacturing and/or fabrication imperfections, usages for which the thread rolling, machining or grinding operation was not reasonably designed, and similar variables over which Seller has no control. In such cases, Buyer remains responsible to pay the contracted price for the finishing operations performed by Seller. No claim for shortage in weight or count will be allowed unless made in writing and presented or mailed within three (3) working days after receipts of material or merchandise by the customer or the customer's consignee to whom it was delivered. However, a shrinkage of quantity in processing of two percent (2%) shall be allowed without charge or liability where operations or thread rolling, machining or grinding services performed by Seller are in the nature of "salvaging" parts and/or material, or seller has identified problems either with the condition of supply or the design does not give the thread rolling process a high degree of confidence the work will be performed on a "best effort" basis and no liability shall attach to Seller unless it has previously agreed to such liability in writing prior to beginning the job. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOSS OF ANTICIPATED PROFITS), OR DAMAGES IN THE NATURE OF PENALTIES.

Clause 8. Indemnification and Waiver. Buyer agrees to indemnify, defend and hold harmless Seller from any claims, loss or damages arising out of or related to Seller's compliance with Buyer's designs, specifications or instructions in the furnishing of products to Buyer, whether based on infringement of patents, copyrights, trademarks or other rights of others, breach of warranty, negligence, strict liability or other tort.

Clause 9. Taxes. Any taxes which Seller may be required to pay or collect with the respect to the sale, delivery or storage of the products, including taxes upon or measured by the receipts from the sales thereof, shall be for the account of the Buyer who shall promptly pay the amount thereof to Seller upon demand, or in lieu thereof, furnish Seller with a tax exemption certificate acceptable to the taxing authorities.

Clause 10. Payment.

Review and approval of any credit terms Shall be accomplished prior to accepting any orders, otherwise all terms shall be COD. Credit Terms, unless otherwise stated on Superior Thread Rolling Co. Quote Form, Payments are due Net30 days from date of invoice. We do not offer a grace period or extensions. Superior Thread Rolling policy for delinquent accounts that go over 60 days are automatically placed on credit hold until account is brought current. If placed on credit hold more than 3 times, your terms will revert to C.O.D. After 6 months waiting period, you may re-apply for terms.