

## **Proposal Terms and Conditions of Sale**

1. Samples shall be deemed approved unless written rejection is received within two weeks of submittal and full payment on molds shall then be due. Any damaged or otherwise non conforming goods, provided such non conformities are reported in accordance with these terms and conditions, may be returned for a credit in the amount of the value of said goods, or, at the option of A & A Global Industries, for repair, reworking or replacement with comparable goods. These remedies are exclusive. there are no warranties which extend beyond the description on the face hereof, nor are any warranties made with respect to merchantability, as the goods are sold "as is". Proposal includes original set-up and one complete set of samples. Production orders will be shipped only after the tooling has been paid in full.
2. Prices quoted are based on our present costs for acceptance within 60 days from the date herewith, subject to exchange with notice. Any extra costs involved in cancellation, alteration or suspension of orders shall be paid by the Purchaser. Any increase in these costs resulting from any government regulation, legislation or general increases in labor, material or burden, shall be added tot he price herein specified.
3. Molds may be removed upon written request following completion of orders in hand and payment of all indebtedness, the balance of any accounts constituting a lien on the mold.
4. We agree to maintain all molds made by us in condition to furnish parts to original specifications, reasonable wear and tear excepted. Our liability in this regard shall not extend for more than 2 years after completion of the most recent production order. Molds furnished by Customer, not of our construction, are to be maintained by Customer, exception normal repairs. Our responsibility for molds is limited to that of a gratuitous bailee. Proposals do not include any charge for mold storage but mold storage will be supplied without charge. Insurance coverage is not provided.
5. Unless otherwise specified, inserts are to be furnished by the Purchaser and shall exceed by 10% the number required to fill the order for molded parts, all charges prepaid, F.O.B. Timonium, Maryland.
6. We assume responsibility for defective parts only to the extent of the actual value of the parts supplied by us, not including any assemblies or devices attached thereto subsequently. Nor do we pay for labor charges or damages incurred by the Purchaser as a result of defective condition of the parts. A & A Global Industries expressly excludes liability for any personal and economic injury, including consequential and incidental damages.
7. A & A Global Industries is not responsible for delay in delivery due to causes beyond its control such as, and by way of illustration and not of limitation, fire, strike, lockouts, embargoes, transportation delays, acts of God, war or other outbreak of hostilities, machinery breakdown, governmental regulation or like causes. Mold deliveries are not guaranteed and mold parts deliveries are not cancelable because of late delivery due to causes beyond our control.
8. Any claims due to discrepancies in count, prices or defects must be made within 30 days from receipt of shipment. Defective material may not be returned unless we have an opportunity to inspect samples and agree in writing.
9. Purchaser agrees to indemnify and hold us harmless against any loss, cost, liability or expense resulting from infringement, asserted or actual, of patents or trademarks, on items delivered under this Proposal.
10. Finish of molded parts shall be only such polish as is obtained in molding process, unless otherwise specified.
11. If the applications of any provision of the Terms and Conditions whether in whole or in part shall be held invalid or unenforceable in general or in any instance, the remainder of the Terms and Conditions shall not be affected by such holding and shall be fully valid and enforceable. Terms inconsistent with those stated herein which may appear on Purchaser's formal order will not be binding to Seller.
12. All parties to this Proposal and sale agree and acknowledge that this Proposal is ratified and shall be governed, interpreted, and construed in accordance with the substantive and procedural laws of the State of Maryland. All parties to this proposal further agree and acknowledge that any action at law, suit in equity, or other judicial proceeding for the enforcement of any provision of the Proposal and resulting sale or for any dispute arising out of or related to this Proposal shall be instituted only in the courts of the state of Maryland, and each party hereby waives the right to change venue.
13. The prices and terms on this quotation are not subject to changes or other agreements unless approved in writing by the Home Office of the Seller. Prices are based on costs and conditions existing on date of quotation and are subject to change by the Seller before final acceptance. Typographical and stenographic errors subject to correction. Purchaser agrees to accept either overage or shortage not in excess of ten percent to be charged for pro-rata.
14. When quotation specifies material to be furnished by the purchaser, ample allowance must be made for reasonable spoilage and material must be of suitable quality to facilitate efficient production, and must meet Seller's specifications. Conditions not specifically stated herein shall be governed by established trade custom.