



## UNIVERSAL METAL PRODUCTS, INC. (“BUYER”) TERMS AND CONDITIONS

1. *Offer and Acceptance.* Each purchase order Buyer issues is Buyer’s offer to purchase the products or services identified in that purchase order. Seller will be deemed to have accepted a purchase order as issued (1) if Seller fails to object to it in writing within 10 business days after receipt and has begun or later begins performance under the purchase order, or (2) if Seller acknowledges in writing its acceptance of the purchase order. There is no understanding or agreement pertaining to a purchase order other than herein expressed, and your acceptance is limited to and shall be governed by the terms and conditions set forth herein. Notice is hereby given of our objection to any terms and conditions additional to or different from those set forth herein unless approved by us in writing.
2. *Changes.* This purchase order is subject to modification or cancellation by us in the *event* of fire, act of God, public enemy, earthquake, floods, strikes, labor 'troubles or any other cause beyond our reasonable control. This order shall not be deemed to constitute a firm offer and is subject to modification, revocation or cancellation by us at any time prior to your acceptance. Except as provided herein, after acceptance, this agreement shall not be subject to modification except by a writing setting forth the terms of such modifications and signed by us.
3. *Delivery.* Shipment or deliveries hereunder shall be made at the time and in the manner specified. Your failure to do so shall constitute a ground for rejection of the goods by us and a default under the contract. Unless otherwise stated in the purchase order, products will be delivered to Buyer’s dock and title will transfer upon receipt of the products by Buyer. If products are not ready for delivery in time to meet Buyer’s delivery schedules, Seller will be responsible for additional costs of any resulting expedited or other special transportation. Timely delivery of the products is of the essence. If Seller fails to deliver the products in full on the delivery date, Buyer may terminate the order immediately by providing written notice to Seller and Seller will indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller’s failure to deliver the product on the delivery date. All products will be packed for shipment according to Buyer’s instructions or, if there are no instructions, in a manner sufficient to ensure that the products are delivered in undamaged condition. Seller must provide Buyer with prior written notice if it requires Buyer to return any packaging material. Any return of such packaging material will be made at Seller's expense.
4. *Seller’s Warranties.* By accepting this order you expressly warrant that the goods shipped hereunder, shall be of good design, material and workmanship, free of defects, shall be merchantable, shall conform to the specifications, and shall be fit for the purpose for which the goods are required by us. No disclaimer, exclusion, limitation or modification of any of the aforesaid warranties shall be deemed effective.



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5. Installed Goods. Goods delivered to us (whether paid for by us or not) including by way of description but not limitation, machinery or equipment to be installed or assembled, shall not be deemed finally accepted until on installation, testing, inspection or use, as the case may be, we find them in accordance with our specifications. Prior to commencing work on Buyer's premises or liability insurance with coverage limits reasonably acceptable to Buyer and naming Buyer as an additional insured, (2) all risk property perils liability insurance with coverage limits reasonably acceptable to Buyer and naming Buyer as an additional insured, (2) all risk property perils insurance covering the full replacement value of Buyer's property while in Seller's care, custody, or control and naming Buyer as loss payee, and (3) worker's compensation insurance as required by applicable law.
6. Excess Quantity. No obligations are assumed by us with respect to goods shipped in excess of the shipping schedule, if any, unless agreed upon.
7. Changes to Work. Before proceeding with any work or shipping any goods involving possible claims by you for extra compensation above the price specified in this order, you shall submit to us a detailed statement of such items together with the price thereof. If we desire to have the work done or the goods furnished at the price so stated, you will be informed. Claims for compensation above the prices specified in this order shall be allowed only when approved by us in writing .
8. On Site Supervision. In the event that the goods or services ordered hereunder, in connection with the installation or use thereof at our plant, require the services of a supervisor or expert connected with Seller, and you agree to furnish the same, either without charge or at a specified rate per day, it is understood that such a person shall not, while performing his duties with respect to the goods covered by this agreement, be deemed our agent, servant or employee and you assume full responsibility for all acts and omissions of such party.
9. Bankruptcy, etc. In the event of any proceedings by or against you, voluntary or involuntary, in bankruptcy or insolvency, or for the appointment of a receiver or trustee, or an assignee for the benefit of creditors, of the property of your company or in the event of a breach by you of any of the terms hereof, including any warranties made in connection with the goods ordered, we shall have the right to cancel this and any or all other orders or contracts between us or to reduce the quantities of goods to be delivered hereunder.
10. Ownership of Plans. All blue prints, drawings, dies, patterns, tools, and the like, prepared or constructed by you and paid for us shall be our property, and upon the completion of deliveries under this order or in case of the cancellation of this order for any reason,



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you agree to deliver to us all such blue prints, drawings, dies , patterns, tools, and the like which may have been either furnished or paid by us. Buyer does not transfer to Seller any patent, trade secret, trademark, service mark, copyright, or other intellectual property right of Buyer in information, documents, or property that Buyer makes available to Seller under, other than the right to use Buyer’s intellectual property rights to produce and supply products and services to Buyer.

11. Intellectual Property Law Protection. You hereby warrant that the sale and/or use of the goods herein ordered will not infringe upon any U.S. Letters Patent and agree to defend every suit which shall be brought against us or against any one selling or using any of said goods, and to pay all expenses and fees for counsel which shall be incurred in and about defending every such suit, and all costs, damages and profits recoverable therein; and we and all the parties sued shall have the right to employ counsel on our or their own behalf who shall have the right to participate in the defense of such suit and whose fees shall be paid by you.
12. Manufactured in Accordance with Law. You hereby warrant that by no law, or rule or ordinance of the United States , a state or any governmental authority or agency has been violated in the manufacture or sale of the items covered by this order.
13. Governing Law. The construction, validity and interpretation of this agreement and each term used herein, the rights and obligations of the parties with respect to performance hereunder, as well as the liabilities which may arise hereunder, shall be governed, defined and determined under the laws of the state of Ohio.
14. Equal Opportunity. Seller (unless exempt) agrees that during the performance of this contract, it will comply with Executive Order 11246, Part 2. Section 202 (1) through (7) and Federal, State, and Local Laws and Regulations to which Seller is subject.
15. Occupational Safety and Health Warranty. Seller will comply with applicable laws, rules and regulations of the country where the products are manufactured or the services are performed. Seller warrants that equipment, guarding, controls and safety devices provided to Buyer shall conform to the standards and/or regulations promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act 1970 (29 U.S.C. 651 PL 91-596). In the event the product sold does not conform to the OSHA standards and/or regulations, Buyer may return the product for correction or replacement at Seller's option and at Seller's expense. Services performed by Seller which do not conform to the OSHA standards and/or regulations must be corrected by Seller at Seller's expense or by Buyer at Seller's expense in the event Seller fails to make the appropriate correction within a reasonable time.



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16. MSDS. In order to comply with the Federal Hazard Communications Standard 29 CFR 1910 1200, Buyer requires that a Material Safety Data Sheet for each purchased material to be on file before these materials arrive on our premises, or that a material Safety Data Sheet accompany the shipped containers of materials, and, upon Buyer’s request, Seller will provide Buyer with other information reasonably required in order to comply with applicable laws.
17. Inspection at Premises. Buyer’s customer or customer representative will be afforded the right to verify at the Seller’s premises that goods conform to specified requirements. However, inspection by the customer does not absolve Seller of the responsibility to provide acceptable products in conformance with specifications.
18. Relationship of the Parties. Buyer and Seller are independent contractors, and nothing in this contract makes either party the agent or legal representative of the other party for any purpose. Neither party has authority to assume or to create any obligation on behalf of the other party.
19. Waiver. The failure of either party to enforce any right or remedy provided in the contract or by law on a particular occasion will not be deemed a waiver of that right or remedy on a subsequent occasion or a waiver of any other right or remedy.
20. Excusable Non-Performance. A delay or failure by either party to perform its obligations under the contract will be excused, and will not constitute a default, only if (1) caused by an event or occurrence beyond the reasonable control of that party and without its fault or negligence, including a labor dispute, and (2) the party unable to perform gives notice of the non-performance (including its anticipated duration) to the other party promptly after becoming aware that it has occurred or is reasonably likely to occur, followed by prompt notices of any material changes in the facts relative to its ability to perform and/or the anticipated duration of the non-performance. Seller and Buyer shall share information, confer, seek agreement and otherwise act cooperatively to avoid or mitigate the effects of the potential or actual excused non-performance. If Seller is unable to perform for any reason, Buyer may purchase goods from other sources and reduce its purchases from Seller accordingly without liability to Seller. Within three business days after written request by the other party, the non-performing party will provide adequate assurances that the non-performance will not exceed 30 days. If the non-performing party does not provide those assurances, or if the non-performance exceeds 30 days, the other party may terminate the order by notice given to the non-performing party before performance resumes. If Seller reasonably incurs extraordinary costs in order to maintain or restore supply in response to an inability to perform (or what would be an inability to perform except for those extraordinary costs), the cost shall be allocated between the parties in an equitable manner.



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21. *Default.* Upon the occurrence of a default and while that default is continuing, the non-defaulting party may terminate the contract by notice to the defaulting party. If Seller is in default, Buyer’s damages will include the reasonable costs actually incurred to relocate the work to an alternate source, and Buyer may purchase completed products at the contract price and work-in-process and raw materials at Seller’s actual cost.
22. *Inspection and Rejection of Nonconforming Products.* Buyer has the right to inspect the products on or after the delivery date. Buyer, at its sole option, may inspect all or a sample of the products, and may reject all or any portion of the products if it determines the products are nonconforming or defective. If Buyer rejects any portion of the products, Buyer has the right, effective upon written notice to Seller, to: (a) rescind the order in its entirety; (b) accept the products at a reasonably reduced price; or (c) reject the products and require replacement of the rejected products. If Buyer requires replacement of the products, Seller will, at its expense, promptly replace the nonconforming products and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement products. If Seller fails to timely deliver replacement products, Buyer may replace them with goods from a third party and charge Seller the cost thereof and terminate the order for cause. Any inspection or other action by Buyer under this Section will not reduce or otherwise affect Seller’s obligations under the order, and Buyer will have the right to conduct further inspections after Seller has carried out its remedial actions. When, during the term of this order, Buyer discovers discrepancies in the products, Buyer may elect to issue to Seller a Corrective Action Request. Seller shall respond within the period identified in the notice. The response shall identify the cause, the action(s) taken for containment and to prevent recurrence, and the effective point of the corrective action by reference of the part number or date of affectivity, where appropriate. All responses must be signed by the Seller’s authorized Quality Assurance Representative.
23. *Most Favored Customer.* Seller represents and warrants that the price for the products is the lowest price charged by Seller to any of its external customers for similar volumes of similar products. If Seller sells similar products to any customer at a lower price, Seller must apply that lower price to all products under the order. If Seller fails to meet the lower price, Buyer, at its option, may terminate the order without liability.
24. *Quality Systems.* Buyer is registered under ISO 9000 ISO, 1400 and TS 16949 and as such require that Seller adopt quality systems applicable to the manufacture and/or supply of the products detailed herein must meet or exceed the requirements outlined in the appropriate level of ISO 9000, ISO 1400 and TS 16949 (revision in effect on the date of the order). Seller’s quality system may be subject to audit by Buyer representatives or evidence of compliance may be requested.