

# TERMS AND CONDITIONS

- 1. PRICE:** The price shall be set in the initial quotation or the order confirmation. In the case of a discrepancy, the order confirmation shall prevail.
- 2. WARRANTY:** Global warrants that all products sold hereunder shall conform to the applicable drawings and specifications and that such products shall be free from defects in material and workmanship for a period of one year following shipment by Global. In the event that any products are discovered not to conform to the applicable drawing and specifications, Purchaser shall give written notice to Global promptly upon receipt of the goods. In the event that any of the products do not comply with the warranty against defects in material and workmanship, Purchaser shall give Global a reasonable opportunity to inspect the goods and may only return such products to Global upon receipt of Global's direction, at Purchaser's expense and risk. Purchaser's exclusive remedy for breach of warranties, to be determined by Global, at its option, shall be either (i) the replacement of the products with new products with the delivery of same, shipping charges prepaid, to Purchaser, or (ii) the receipt of full credit for the returned products plus shipping charges paid thereon by Purchaser. Global shall reimburse Purchaser for all shipping charges to Global with respect to defective products. If no defect in the returned products is found after inspection by Global, such products will be returned to Purchaser, at Purchaser's expense. This warranty does not apply to defects not caused by Global (such as accidents, abuse, improper installation, misuse, etc.) nor to products on which the serial numbers, manufacture or shipment dates have been altered or removed. THE WARRANTIES PROVIDED FOR HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF THE MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ALL OF WHICH OTHER WARRANTIES ARE HEREBY DISCLAIMED.
- 3. PATENTS:** Purchaser shall hold Global harmless against any expense for loss resulting from infringement of patents or trademarks arising from compliance with Purchaser's designs, specifications or instructions. Except as provided in the preceding sentence, in the event that a claim is asserted against Purchaser alleging that any product or part thereof furnished hereunder constitutes an infringement of any United States patent, then if notified promptly in writing and given authority, information and assistance, Global may at its sole option and expense, defend against such claim and pay all damages and costs awarded against Purchaser, subject to the limitations contained herein. In lieu of such defense, Global may, at its sole option and expense, either procure the right to continue using said product or part for the Purchaser or replace or modify the product or part so that it becomes non-infringing or remove said product or part and refund the purchase price and transportation cost applicable thereto. In no event, however, shall Global be liable for Purchaser's use of a product delivered hereunder which is covered by any adversely held patent. The foregoing states Global's entire liability for patent infringement by any product or part thereof.
- 4. OTHER CLAIMS:** Purchaser agrees to protect, defend, hold harmless and indemnify Global from and against any and all liability and expenses resulting from actual or alleged injury to persons or property arising from the possession or use of any product delivered hereunder that is modified in any manner or arising out of the violation by such modified products of any statute, ordinance or administrative order, rule or regulations. Purchaser agrees that any claims to bring any claims it has against Global within one (1) year of receipt of the product.
- 5. SHIPMENT:** All shipments are F.O.B. Shipping Point. The method and route of shipment are to be determined by Global unless Purchaser supplied explicit instructions and said instructions are in compliance with methods used by Global. Risk of loss, title and right of possession pass to Purchaser at the time of delivery to a carrier. Prepaid shipments at Purchaser's request will not affect transfer of title. Failure to make one or more shipments shall not constitute cause for cancellation of Purchaser's order.
- 6. TAXES:** Applicable federal, state or local sales, excise or use taxes and duties are not included in the price, but are Purchaser's obligation unless the Purchaser shall provide Global with a tax exempt certificate acceptable to the taxing authorities. This obligation shall survive payment of Purchaser's invoice.
- 7. QUANTITY VARIATION:** Global reserves the right to over ship or under ship up to ten percent (10%) per item based on normal manufacturing variations. Orders with shipments of ninety percent (90%) or more of the ordered quantity may at Global's discretion, be considered complete and Purchaser shall be invoiced for the actual quantity shipped.
- 8. RETURN OF PRODUCT:** Non-standard items cannot be canceled or returned for exchange or credit. Standard items (at the time of purchase) may only be returned with Global's Return Merchandise Authorization (RMA) and only for credit to purchase other Global Cutting Tool company's products. Materials must be returned in their unbroken, original package and are subject to Global's inspection. Credit will be issued, less any applicable restocking charge, only after Global receives an offsetting purchase order. Returned material must be carefully packaged for shipment, freight prepaid by Purchaser, F.O.B. Global's plant. Global will not be liable for any returned products which are damaged or lost while en route.
- 9. FORCE MAJEURE:** Global shall not be liable for any delay in the performance of its obligations, or any failure to perform its obligations hereunder in the event that such delay or failure is a result due to a cause or circumstance beyond its reasonable control, including but without limitation, acts of nature, acts of military authorities (whether official or unofficial), strikes or other labor disturbances (whether legal or illegal), flood or water damage, fire, explosion, epidemic, embargo, disruption of shipping, war (whether declared or undeclared), accidents to machinery, inability to obtain necessary parts, priorities requested or required by an instrumentality of the United States government or any state government restrictions imposed by any federal, state or municipal regulations (whether valid or invalid) or any other cause beyond Global's control. Upon occurrence of such contingency, Global shall promptly notify Purchaser of any delay or failure to perform which may be excused under this provision and shall further notify Purchaser of the date of resumption of performance as soon as practicable thereafter. In the event of any such delay, the time for performance shall be extended for a period equal to time lost by reason of the delay.
- 10. DELIVERY:** Unless otherwise expressly stated, Global shall have the right to make delivery in installments. Each installment shall be separately invoiced and paid as billed without regard to subsequent deliveries. Failure to pay for any installment when due shall excuse Global from making further deliveries on this or any other order from Purchaser unless Global received satisfactory assurance of payment. Any delivery accepted by Purchaser, even though made after the scheduled delivery date, shall constitute a good delivery and shall be paid for regardless of any other controversies relating to other delivered or undelivered products. Global may recover all costs incident to delays in shipment requested by Purchaser, even though agreed to by Global.
- 11. TOOLING/DESIGN:** This agreement does not convey any right, title, interest in or possession of and dies, tools, gauges, fixtures, designs, drawings, software or any other item required to fill this order which is not sold and delivered with this order.
- 12. LIMITATION OF LIABILITY:** Global shall not be liable for any loss, damage, cost or repair, injury to goodwill, incidental or consequential or special damages of any kind, whether based upon warranty, contract, negligence or strict liability, or in any manner arising in connection with the sale, use or repair of the products sold hereunder, Global's liability, if any, shall never exceed the contract price for products alleged to be defective or to have caused damage of any kind.
- 13. GLOBAL'S RIGHT OF POSSESSION:** In addition to other remedies, Global shall have the right, at any time, for credit reasons or because of Purchaser's default or defaults to withhold shipments in whole or in part, to recall goods in transit, to retake the same and to repossess all goods, which may be stored with Global for Purchaser's account without the necessity of taking any other proceedings and Purchaser agrees that all products so recalled, retaken or repossessed shall become the absolute property of Global, provided that Purchaser is promptly notified of such action and is given full credit therefor.
- 14. INTEREST AND COLLECTION FEES:** Interest will be charged on all past due accounts at Global's prevailing rates, not in excess of rates permitted by law. Any collection costs or fees incurred by Global to collect any past due accounts will be charged to Purchaser including reasonable attorney fees.
- 15. MODIFICATION:** This contract represents the entire agreement between Global and Purchaser and may not be modified or terminated orally. No claimed modification, termination or waiver of any of the provisions contained herein shall be valid unless in writing, signed by Global's duly authorized representative.
- 16. CHOICE OF LAW/FORUM:** This contract shall be governed by the laws of the State of Michigan. Any dispute arising under or in connection with these Terms and Conditions or related to any matter shall be subject to the exclusive jurisdiction of the state and/or federal courts located in Kent County Michigan.
- 17. PRICES:** Prices quoted in the purchase confirmation or otherwise, are in U.S. Funds, unless otherwise stated. F.O.B. Shipping Point. Prices shall remain unchanged for thirty (30) days from the date of the quotation; thereafter they are subject to change without notice at any time prior to the written acceptance of Purchaser's order by Global's home office, Grand Rapids, Michigan.
- 18. ACCEPTANCE:** Neither Purchaser's order and/or correspondence resulting here from, nor Global's shipment of the products listed shall be an acceptance or confirmation of the terms of Purchaser's order at variance with, or in addition to Global's terms herein set forth. The issuance by Purchaser of said order shall be deemed Purchaser's assent to the foregoing.
- 19. ESTIMATED DATE OF DELIVERY:** The estimated date of delivery specified for specially made products is based on the production time required to process the order commencing with the date Global received the order or the approved drawings, which is later. All deliveries shown as stock are subject to prior sale.