

PREMIER INTERNATIONAL

Terms and Conditions of Sale

- **ACCEPTANCE:** All orders are subject to Seller's (Premier International) acceptance. Any acceptance of Buyer's order is limited to acceptance of the express terms of these Terms and Conditions of Sale contained below.
- **DESCRIPTION OF PRODUCTS:** Premier International agrees to sell, and buyer agrees to purchase the products described on the purchase order provided by the buyer.
- The term "**Delivery**" shall, for the purpose of these Terms and Conditions of Sale, be deemed to mean the date when the products are delivered F.O.B. Seller's facility. (b) Failure of Buyer to object in writing to any products shipped by Seller within 90 days after receipt thereof will constitute complete acceptance by Buyer of the products. Rejected products must be returned to Seller within 10 days after prior written authorization from Seller's facility. Premier International (Seller) has the right to recondition the rejected products to meet requirements and to replace same within a reasonable time after receipt thereof by Seller.
- **STORAGE:** If buyer is unable to accept delivery of products at the time of completion or shipment, seller will invoice Buyer for the full Contract Price as if shipment had been made and; (a) If Premier International (Seller) is able to store such products in its own facilities, Buyer will pay seller the reasonable handling and storage charges for the period of such storage; (b) If seller is unable to store such products in its own facilities, seller reserves the right to arrange handling and storage in a suitable bonded warehouse for the Buyer at Buyer's expense. In cases where handling and storage become necessary, in Seller's judgment, it will become the responsibility of the Buyer to notify Seller when shipment is to be made and the destination. Seller will make the necessary arrangements for shipment.
- **CONTRACT PRICE:** Products delivered under any order hereunder shall be invoiced at Seller's price in effect at the time of shipment. All quotations provided by Premier International are subject to change or withdrawal without prior notice to Buyer unless stated specifically in the quotation. Quotations are made subject to approval by Seller of Buyer's credit. Fulfillment of the order is contingent upon the availability of materials. Any products shipped will be billed at the price prevailing at the time of shipment.
- **PAYMENT TERMS:** All amounts payable to Premier International (Seller) shall be paid no later than thirty (30) days after date of the invoice therefor.

- **BUYER'S OBLIGATIONS:** Buyer shall, at the sole risk and expense, be required to arrange for or provide transportation of the products from Seller's facility to Buyer's plant or other destination.
- **DEFECTIVE PRODUCTS:** Premier International (Seller) warrants its products at the time of shipment; be free from defects in material, but the foregoing shall be subject to Seller's normal manufacturing tolerances. The foregoing warranty shall not extend to any products that have been altered following delivery to Buyer or Buyer's designee. The results of ordinary wear and tear, neglect, abuse, accident, improper storage or maintenance, abrasive or chemical action shall not be considered a defect under the foregoing warrant. Premier's only obligation shall be to replace such quantity of the product proved to be defective. Before using, user shall determine the suitability of the product for its intended use and user assumes all risks and liability whatsoever in connection therewith. Also, seller shall not be liable either in tort or in contract, for any loss or damage, direct, incidental, or consequential arising out of the use of the inability to use the product. The foregoing obligations, liabilities, rights, and remedies, are exclusive and in substitution for, and the parties hereby expressly waive any and all other warranties, obligations, liabilities, rights and remedies, including any implied warranty of merchantability or fitness of a particular purpose.
- **QUANTITY VARIATION:** The Buyer agrees to accept 10% over-shipment or undershipment on an order for products according to Buyer's specification. Products requiring special material or products that are uncontrollable in the course of manufacturing may in fact constitute the over / under shipment.
- **UNCONTROLLABLE EVENT:** (a) If the performance by either party at all of any of its obligations under these Terms and Conditions of Sale (other than the making of any payment required to be made by such party hereunder) is delayed due to any cause or causes beyond the reasonable control of such party, said party shall not be deemed to be in default or breach on account of such delay, and the time for said party's performance shall be deemed extended to the extent of such excusable delay. The party so delayed shall use the best reasonable efforts to avoid the cause(s) of such delay, shall give notice of any such delay to the other party hereto as soon as practicable, and shall resume the performance promptly after the removal of cancellation of said cause(s) of delay. In the event of termination by (i) either party by reason of Buyer's delay in performance, or (2) the Buyer by reason of Seller's delay in performance, it is understood and agreed that Buyer shall pay Premier International reasonable costs and expenses incurred or committed to prior to the date of such termination in respect of all work and services performed by Premier International (Seller) under these Terms and Conditions of Sale. Buyer agrees to pay such costs and expenses promptly following receipt of Seller's invoice therefor, which shall be submitted as soon as practicable after such termination.
- **CANCELLATION:** (a) In the event of a cancellation or termination of these Terms and Conditions of Sale by the Seller (Premier International) hereunder; excluding a termination pursuant to Article 14 hereof or any termination or cancellation parallel by

applicable law for the material breach by Seller of the obligations under these Terms and Conditions of Sale. Buyer shall as a condition of such cancellation or termination by obligated to pay seller's reasonable costs and expenses incurred or committed prior to the date of such termination or cancellation in respect of all work and services performed by Seller under these Terms and Conditions of Sale, plus a reasonable allowance in respect of seller's anticipated profit. Buyer agrees to pay such costs and expenses plus allowance for Seller's anticipated profit (less the amount of any down payment or progress payments received from Buyer prior to such termination in respect of undelivered products and/or unfurnished services), promptly following receipt of Seller's invoice therefor, which shall be submitted to Buyer as soon as practicable after such termination or cancellation. (b) Premier International may cancel these Terms and Conditions of Sale at any time; if Seller reasonably determines that its performance hereunder is commercially impractical.

- **ASSIGNMENT:** These Terms and Conditions of Sale may not be assigned, in whole or in part, by either party except with the prior written consent of the other party.
- **ENTIRE AGREEMENT:** These Terms and Conditions of Sale contain the entire agreement between the parties hereto concerning the subject matter hereof, and supersede all prior offers, proposals, understandings, representations or agreements, oral or in writing, dealing with or in any manner pertaining to the subject matter of these Terms and Conditions of Sale.
- **NOTICES:** (a) All notices required to be given pursuant to these Terms and Conditions of Sale shall be in writing and may be given by prepaid airmail, cable, fax or other telegraphic means of communication, addressed to the appropriate party at the address set forth in the face of this form. (b) the effective date of any notice given hereunder shall be the date on which it is received by the addressee; provided, further that any such notice sent by prepaid airmail shall in any event be deemed to have been received ten (10) days after it is delivered to the postal authorities in the country of the party sending such notice.
- **GOVERNMENTAL REQUIREMENTS:** Each party agrees to furnish upon request all reasonable cooperation to the other party in support of such other party's efforts to obtain any necessary consents, approvals, waivers, licenses, permits, visa or clearance from appropriate government authorities, agencies or officials in connection with the exporting or transporting of the products under these Terms and Conditions of Sale.
- **GOVERNING LAW:** These Terms and Conditions of Sale shall be governed by the law of the State of Michigan (USA) including its provisions of the Uniform Commercial Code but excluding its conflicts of law rules. Buyer hereby assents to the Jurisdiction of the courts of the State of Michigan (USA) and hereby appoints the Secretary of State of the State of Michigan as the agent for service of process.

Purchase Order Terms and Conditions

- **Orders:** Purchase orders are not valid unless signed by the Purchaser's buyer. Purchaser will not recognize claims based on verbal orders (The Purchaser mentioned in these below Terms & Conditions is Premier International).
- **Acceptance Agreement:** Seller's commencement of work on the goods subject to this purchase order or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of this purchase order. Any acceptance of this purchase order is limited to acceptance of the express terms below as well as face of purchase order. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer in Seller's acceptance is hereby objected to and rejected, but such proposals shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price, or delivery schedule of the goods, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by Seller without said additional or different terms. If this purchase order shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained on the face of the purchase order. Additional or different terms or any attempt by Seller to vary in any degree any of the terms of this purchase order shall be deemed material and are objected to and rejected, but this purchase order shall not operate as a rejection of the Seller's offer unless it contains variances in the terms of the description, quantity, price, or delivery schedule of the goods.
- **Shipment:** If delivery is not made by the date indicated on the Purchase Order, Purchaser may, in addition to its other rights, cancel this Order, without any liability whatsoever. If in order to comply with Purchaser's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this purchase order, any increased transportation costs resulting there from shall be paid for by Seller unless the necessity for such rerouting or expedited handling has been caused by Purchaser. If delivery has arrived past the due date on the PO then the seller may be issues a late fee of \$250.00.
- **Uncontrollable Event:** Purchaser may delay delivery or acceptance occasioned by causes beyond its control. Seller shall hold such goods at the direction of the Purchaser and shall deliver them when the cause affecting the delay has been removed. Purchaser shall be responsible only for Seller's direct additional costs in holding the goods or delaying performance of this agreement at Purchaser's request. Causes beyond Purchaser's control shall include government action or failure of the government to act where such action is required, strike or other labor trouble, fire, or unusually severe weather.
- **Changes:** Purchaser shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement

shall be modified in writing accordingly. Seller agrees to accept any such changes subject to this paragraph.

- **Price and Payment:** Seller warrants that the prices for the articles sold Purchaser hereunder are not less favorable than those currently extended to any other customer for the same or similar articles in similar quantities. In the event Seller reduces its price for such article during the term of this order, Seller agrees to reduce the prices hereof correspondingly. The price stated on the Purchase Order includes all charges for packaging, boxing, crating, special handling, and freight, F.O.B. destination. No modification or adjustment of the stated price may be made without the signed written agreement of Purchaser. If the price is not stated on this Order, the price shall be the lower of price last quoted or paid, or the prevailing market price.
- **Delivery and Risk of Loss:** Delivery shall be F.O.B. destination unless otherwise specified on the face of the Purchase Order. Each invoice shall show shipping charges as a separate item and shall contain the original or a copy of the bill indicating that payment by Vendor for shipping has been made. Notwithstanding any agreement by Purchaser to pay freight or other transportation charges. Delivery is not complete until the goods have been actually received and accepted the risk of loss or damage prior to completion of delivery shall be upon the Vendor, and any such loss or damage to goods or materials ordered hereunder shall not release Vendor from any obligation hereunder.

Note: Premier International reserves the right to refuse C.O.D. shipments.

- **Indemnification:** Seller shall defend, indemnify and hold harmless Purchaser against all damages, claims or liabilities and expenses (including attorneys' fees) arising out of or resulting in any way from any defect in the goods or services purchased hereunder, or from any act or omission of Seller, its agents, employees or subcontractors. This indemnification shall be in addition to the warranty obligations of Seller.
- **Warranty:** Seller expressly warrants that all goods or services furnished under this agreement shall conform to all specifications and appropriate standards, will be new, and will be free from defects in material or workmanship. Seller warrants that all such goods or services will conform to any statements made on the containers or labels or advertisements for such goods or services, and that any goods will be adequately contained, packaged, marked, and labeled. Seller warrants that all goods or services furnished hereunder will be merchantable, and will be safe and appropriate for the purpose for which goods or services of that kind are normally used. If Seller knows or has reason to know the particular purpose for which Purchaser intends to use the goods or services, Seller warrants that such goods or services will be fit for such particular purpose. Seller warrants that goods or services furnished will conform in all respects to samples. Inspection, test, acceptance or use of the goods or services furnished hereunder shall not affect the Seller's obligation under this warranty, and such warranties shall survive inspection, test, acceptance and use. Seller's warranty shall run to Purchaser, its successors, assigns and customers, and users of products sold by Purchaser. Seller agrees

to replace or correct defects of any goods or services not conforming to the foregoing warranty promptly, without expense to Purchaser, when notified of such nonconformity by Purchaser, provided Purchaser elects to provide Seller with the opportunity to do so. In the event of failure of Seller to correct defects in or replace nonconforming goods or services promptly, Purchaser, after reasonable notice to Seller, may make such corrections or replace such goods and services and charge Seller for the cost incurred by Purchaser in doing so.

- **Inspection/Testing:** Payment for the goods delivered hereunder shall not constitute acceptance thereof. Purchaser shall have the right to inspect such goods and to reject any or all of said goods which are in Purchaser's judgment defective or nonconforming. Goods rejected and goods supplied in excess of quantities called for herein may be returned to Seller at its expense and, in addition to Purchaser's other rights, Purchaser may charge Seller all expenses of unpacking, examining, repacking and reshipping such goods. In the event Purchaser receives goods whose defects or nonconformities are not apparent on examination, Purchaser reserves the right to require replacement, as well as payment of damages. Nothing contained in this purchase order shall relieve in any way the Seller from the obligation of testing, inspection and quality control.
- **Identification:** All invoices, packing lists, packages, shipping notices, instruction manuals, and other written documents affecting this Order shall contain the applicable order number. Packing lists shall be enclosed in each and every box or package shipped pursuant to this Order, indicating the content of such boxes or packages.
- **Bankruptcy:** In the event of any proceeding, voluntary or involuntary, in bankruptcy or insolvency by or against the Vendor, including any proceeding under the United States bankruptcy laws, or in the event of the appointment, with or without Vendor's consent, of a receiver of an assignee for the benefit of creditors, Purchaser shall be entitled to cancel any unfilled part of this Order without any liability whatsoever.
- **Taxes:** Unless otherwise indicated on the face of the Order, Purchaser agrees to pay all State taxes. Vendor will not charge for federal excise taxes, and Purchase agrees to furnish Vendor, upon acceptance of goods or materials supplied under this Order, with an exemption certificate.
- **Antitrust Assignment Clause:** Vendor and Purchaser acknowledge that overcharges by manufactures are in fact borne by the Purchaser and not the Vendor. Vendor therefore, agrees to assign to purchaser any and all claims which it may have for overcharges, as to goods and materials purchased in connection with any contract between Purchaser and Vendor, arising out of antitrust or similar actions, except as to overcharges which commence after the price is established under any contract between Purchaser and Vendor and which are not passed on to the Purchaser under an escalation clause.
- **Equal Opportunity:** Vendor agrees to comply with all laws prohibiting discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex, age or because of a physical or mental handicap.

- **Compliance:** Seller warrants that all goods and services sold hereunder shall have been produced, sold, delivered and furnished in strict compliance with all applicable state laws and regulations.
- **Termination for Convenience of Purchaser:** Purchaser reserves the right to terminate this order or any part hereof for its sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder, and shall immediately cause any of its suppliers or subcontractors to cease such work. Seller shall be paid a reasonable termination charge, consisting of a percentage of the order price reflecting the percentage of the work performed prior to the notice of termination, plus actual direct costs resulting from termination. Seller shall not be paid for any work done after receipt of the notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided.
- **Termination for Cause:** Purchaser may also terminate this order or any part hereof for cause in the event of any default by the vendor or if the vendor fails to comply with any of the terms and conditions of this offer. Late deliveries, deliveries of products which are defective or which do not conform to this order, and failure to provide Purchaser, upon request, of reasonable assurances of future performance shall all be causes allowing Purchaser to terminate this order for cause. In the event of termination for cause, Purchaser shall not be liable to Seller for any amount, and Seller shall be liable to Purchaser for any and all damages sustained by reason of the default which gave rise to the termination.
- **Proprietary Information -Confidentiality –Advertising:** Seller shall consider all information furnished by Purchaser to be confidential and shall not disclose any such information to any other person, or use such information itself for any purpose other than performing this contract, unless Seller obtains written permission from Purchaser to do so. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Purchaser in connection with this order. Seller shall not advertise or publish the fact that Purchaser has contracted to purchase goods from Seller, nor shall any information relating to the order be disclosed without Purchaser's written permission. Unless otherwise agreed in writing, no commercial, financial or technical information disclosed in any manner or at any time by Seller to Purchaser shall be deemed secret or confidential and Seller shall have no rights against Purchaser with respect thereto, except such rights as may exist under patent laws.
- **Patents:** Seller agrees upon receipt of notification to promptly assume full responsibility for defense of any suit or proceeding which may be brought against Purchaser or its agents, customers, or other vendors for alleged patent infringement, as well as for alleged unfair competition resulting from similarity in design, trademark or appearance of goods, or services furnished hereunder, and Seller further agrees to indemnify Purchaser, its agents and customers against any and all expenses, losses, royalties, profits, and damages, including court costs and attorneys' fees resulting from any such suit or proceeding, including any settlement. Purchaser may be represented by and actively participate through its own counsel in any such suit or proceeding if it so desires, and the costs of such representation shall be paid by Seller.
- **Insurance:** In the event that Seller's objections hereunder require or contemplate performance of services by Seller's employees, or persons under contract to Seller, to be

done on Purchaser's property, or property of Purchaser's customers, the Seller agrees that all such work shall be done as an independent contractor and that the persons doing such work shall not be considered employees of the Purchaser. Seller shall maintain all necessary insurance coverage's, including public liability and Workers' Compensation insurance. Seller shall indemnify and save harmless and defend Purchaser from any and all claims or liabilities arising out of the work covered by this paragraph.

- **Assignments and Subcontracting:** No part of this order may be assigned or subcontracted without prior written approval of Purchaser.
- **Limitation on Purchaser's Liability -Statute of Limitations:** In no event shall Purchaser be liable for anticipated profits or for incidental or consequential damages. Purchaser's liability on any claim of any kind for any loss or damage arising out of or in connection with or resulting from this agreement or from the performance or breach thereof shall in no case exceed the price allocable to the goods or services or unit thereof, which gives rise to the claim. Purchaser shall not be liable for penalties of any description. Any action resulting from any breach on the part of Purchaser as to the goods or services delivered hereunder must be commenced within one year after the cause of action has accrued.
- **Termination:** In the event of a breach by Vendor of any of the provisions of this contract. Purchaser reserves the right to cancel and terminate this contract, upon giving oral or written notice to the Vendor. Vendor shall be liable for damages suffered by Purchaser resulting from Vendor's breach of this contract.