

## **Terms and Conditions of Sales**

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 General. Quotations are given and orders for work and services are accepted subject only to the following Conditions. Any Conditions, which you seek to impose, will be inapplicable unless expressly accepted in writing signed by one of our directors.

- 2. Quotations. Unless previously withdrawn a quotation is open for acceptance within the period stated therein, or when no period is so stated, within 30 days only after its date. Oral quotations are for guidance only and are not binding upon us. Written quotations will not normally be submitted and in any event will not binding upon us, unless any necessary drawings and specifications have first been submitted to us in writing and, where we deem it necessary, sample components provided to us.
- 3. Acceptance. Notwithstanding the receipt by us from you of an order or an acceptance of our quotation, such order or acceptance shall not be binding upon us until confirmed by us by our forwarding to you our form of acknowledgement of order incorporating these Conditions.
- 4. Advertising Matter. Specifications, descriptions and illustrations contained in our catalogues, brochures or other advertisement matter are intended to give only a general idea of the goods, work, or services concerned and none of these shall form part of the Contract.
- 5. Delivery. 5H Sheet Metal Fabrication, Inc. will endeavor to meet delivery schedules but in no case shall 5H Sheet Metal Fabrication, Inc. inaccuracy liability, consequential or otherwise, for any delays or failure to deliver as a result of ceasing to manufacture any product of for any cause beyond its reasonable control, including, without limiting the generality of the foregoing, fire, windstorm, war, embargo, strikes, explosion, release of radio activity, accident, flood, drought, earthquake, sabotage, disputes with workmen, transportation conditions, inability to secure adequate material or labor, activities of the Armed Forces, acts of God of or the public enemy, Governmental action of any kind, or any cause similar or dissimilar to any of the forgoing. Delivery quotations are our best estimate on the basis of current schedules. We reserve the right to allocate our inventories and current inventories and current production, when we believe the Government regulations or other causes, whether similar or dissimilar, may make this action necessary. In no event 5H Sheet Metal Fabrication, Inc. shall be liable for special or consequential damages resulting failure to meet requested delivery schedules.
- 6. **Terms of Payment**. On approved credit accounts, all invoices are due and payable in full, thirty days after date of invoice, unless other terms are specified by 5H Sheet Metal Fabrication, Inc. Any and all moneys owing 5H Sheet Metal Fabrication, Inc. is due and payable. A 2% monthly late payment charge will be assessed on all past due invoices. In all cases, if shipment is delayed by Purchaser, payment shall become due at 5H Sheet Metal Fabrication, Inc. sole option, thirty days after the former of (1) the date on which 5H Sheet Metal Fabrication, Inc. is prepared to make the shipment, or (2) the originally scheduled shipment date. If, in 5H Sheet Metal Fabrication, Inc. judgement, the financial condition of Purchaser does not justify confirmation of production of shipment on the terms of payment specified, 5H Sheet Metal Fabrication, Inc. may cancel any unfilled order or part thereof unless Purchaser shall, upon notice, immediately pay for all merchandise delivered or shall pay in advance for all merchandise not delivered, or both, at 5H Sheet Metal Fabrication, Inc. sole option.
- 7. Prices. If by any reason of any increase in the rates of wages payable to labor or in the cost of material, fuel, gas, electricity, insurance, transport or other services or of conforming to such laws, orders, regulations and by-laws as are applicable to the work or apply to or affect us in the performance of our obligations under the Contract, above the rates and costs ruling at the date of our acknowledge of order, the cost to us performing our obligations under the Contract shall be increased, we may give notice in writing to you increasing the contract price to such amount as is stated in the notice. Any increase price shall be payable as from the date of the notice as if it were the original contract price, and a price so increased may from time to time subsequently be further increased in similar manner. Provided, however, that if within 8 days after receipt of any such notice, you give notice in writing to us to cancel the balance of Contract, we shall be entitled to complete and charge for any such articles as we have begun to treat at the time of receipt of notice from you at the price prevailing immediately prior to the date when notice of increase was given.
- 8. Lien. For so long as any account remains unpaid we shall have an absolute right of lien upon any of your goods that may be in our possession or under our control and we may enforce such lien whenever and to the extent that any payment is three months overdue without previous notice to you.
- 9. Standards. (a) Unless otherwise agreed in writing the quality and finish of work shall be such as will provide a reasonable service in compliance with the generally recognized standards in the trade for the class of work, type, quality and finish of the product concerned.

We can accept no liability under paragraph (a) of this clause (whether any defect is apparent on inspection or not) unless a written claim is made within 14 days of receipt of the goods stating the alleged defect in standard or in quality of work or finish whereby the goods are not in accordance with contract and a reasonable number of articles exhibiting the defect or defects complained of is or are apparent are forwarded to us for inspection within the said period and we are given the opportunity to remedy any such defect or defects.

10. **Matching**. We shall be under no obligation to ensure that any goods or components or parts are an exact match or that one batch exactly matches another, whether the color or finish are defined by reference to a sample or by description.

Where a color or finish is specified in the Contract by reference to a sample or description, you shall accept as complying with the Contract all parts which are a commercial match with the sample or correspond with the description, as the case may be, and a commercial match with each other in accordance with the standard generally recognized in the trade. We shall be under no liability for any failure to provide a commercial match if failure is due wholly or partly to differences in materials from which respective goods, components or parts are made or to any process or treatment to which the same have previously been submitted.

11. **Defects**. We shall be under no liability howsoever arising in respect of any defect appearing in any goods, components or parts (including failure to provide color matching between different batches) at any time which is due or partly due to the material of which the same is made, its design or method of manufacture, or any process or treatment applied thereto by any person other than ourselves.

We undertake to make good free of charge any defects which under proper use, appear in goods, components or parts the subject of the Contract within a period of six months after leaving our works or half their average working life whichever is the shorter, and which are due to faulty materials, workmanship or design (other than materials or workmanship or design provided or specified by you) provided there has been no maltreatment thereof and provided further that we are notified in writing immediately such defects appear and the defective parts are returned to us for rectification.

This undertaking shall be accepted by you in lieu of any warranty or condition of such goods, components and parts or as to the manner in which work is done and save as provided in this clause we shall be under no liability, whether for breach of contract or statutory duty, in tort (including but not limited to negligence) or otherwise in respect of any defects therein or for any service or advice in relation thereto or for an injury (other than death or personal injury caused by negligence on our part as defined in the Unfair Contract Terms Act, 1977) or for any loss or damage resulting from such defects or from any work done in connection therewith.

- 12. Export Contracts. In the case of goods or work for export we will give you reasonable opportunity to inspect and test the same at our works before dispatch and we shall not be liable for any defects whatsoever arising after such an opportunity has been given and the goods have been dispatched.
- 13. Extras. The prices given in our acknowledgement of order include only for such work and services as are specifically required by the Contract shall be added to the Contract price and paid for accordingly and all such work shall be carried out subject to these conditions.
- 14. Loss or Damage in Transit. We shall be under no liability for any loss or damage in transit unless due to negligence on our part or that of our servants or agents and then only if notice in writing of such loss or damage is received by us within 2 days after delivery or where delivery is made by our own transport within a reasonable time after receipt of the advice note. Any claims for non-delivery must be made within 7 days after receipt of the advice note.
- 15. **Packaging**. Items dispatched to us for processing should be suitable packed having regards, inter alia, to their manufacturing tolerances, quality and the inherent value of the items in question. We assume that you are expert in the preparation of your goods for shipment. We will use the same packing where practical and packed to at least as good a standard for return to you. Any additional packaging requirements, whether required by you, or deemed necessary by us to protect the work, will be chargeable.
- 16. Limitations of Liability. Except as otherwise provided under these Conditions our liability whether arising by reason of breach of contract or a statutory duty or in tort (including but not limited to negligence) or otherwise howsoever other than in respect of claims for death or personal injury caused by negligence as defined in the Unfair Contract Terms Act, 1977, shall be limited in respect of any article to three times the Contract Price for processing the same. We shall not be liable to you for any loss profits or loss of contracts or loss of use or for any indirect or consequential loss or damage whatsoever.
- 17. Confidential Information. All specifications, drawings, technical descriptions and details of processes (hereinafter called "information") submitted with our quotation or supplied to you pursuant to the Contract are supplied in confidence. You shall keep the information confidential and shall not disclose the same to any third party without our prior written consent and shall use the same only for the purpose of the Contract. Nothing in this clause shall prevent us from undertaking or offerings to undertake for third parties any work or services similar to or designed to achieve the same results as the work or services provided under this Contract.
- 18. Tooling. Tools made by us for the purpose of the Contract shall remain our property notwithstanding that the cost thereof may be included in whole or in part in the Contract price. All drawings and information relating to such tools remain our property and our copyright and you undertake that you will not copy or make use of the same for the benefit of any third party without our prior written consent.
- 19. Cancellation. Purchase orders become non-cancelable/non-returnable once production has started. Any alterations to purchase order must be approved by 5H Sheet Metal Fabrication, Inc. in writing. Alterations must be submitted no later than 4 weeks prior to schedule ship date. Otherwise, a cancellation charge and/or restocking fee will apply.

Approval Date: 02/16/2018 Approved By: DL