

**STANDARD TERMS AND CONDITIONS OF SALE
UPDATED: 1/28/2020**



REMITTANCE ADDRESS

Mach Motion Products
7509 South 5th Street, Suite 110
Ridgefield, WA 98642

WARRANTIES

The Seller warrants to the Buyer that all products to be delivered hereunder will be free from defects in material, workmanship and title for a period of one (1) year from the date of shipment. This warranty does not cover damage in transit, damage resulting from mishandling by Buyer, his employees or customers, normal wear or improper use of application thereof. The foregoing warranty is in lieu of and excludes all other warranties expressed or implied (including any warranty of merchantability or fitness or purpose). If within one (1) year from the date of shipment by the Seller, the Buyer notifies the Seller promptly that the products delivered hereunder do not meet the warranty specified above, the Seller will, at its option, issue credit, repair or replace any item or part thereof which is proved to be other than as warranted. The Seller undertakes no liability and the Buyer waives any claim for cost of removing old and installing new or replacement parts. Goods returned without Seller's consent will be held at Buyer's risk and expense. Any goods returned upon a claim of breach of any warranty hereunder shall be returned with transportation costs prepaid by Buyer. If any goods are proved to be other than as warranted, transportation costs (best value) for return of such goods from Buyer's plant will be borne by Seller.

ORDER ACCEPTANCE

Buyer's order is accepted upon the terms, provisions and conditions contained herein. No additional terms shall become part hereof without written approval by Seller. All acceptances and orders are subject to approval by Seller. No waiver or alteration of any terms herein shall be binding unless in writing, signed by an executive officer of Seller. The Seller will comply with the terms and provisions of the Buyer's order as expressly set forth on Seller's Acknowledgment. Any of the terms or provisions of the Purchaser's order which are not expressly contained in Seller's Acknowledgment shall not be binding on the Seller and shall not be considered applicable to this sale. All orders for special items are based on Buyer accepting over-run or under-run on each individual item not exceeding 10% of quantities ordered. Where closer control of quantity is required special arrangements must be made. Order is accepted and priced based on complete delivery within 12 months of the 1st scheduled delivery date. Seller reserves the right to ship and invoice the order complete on the 12-month anniversary of the first shipment or; cancel the balance of the order and invoice the Buyer for unique materials, work in process and finished goods or; negotiate new pricing on the open order balance.

PATENTS

It is not the intention of the Seller to manufacture any product which is an infringement of a patented article. With respect to parts manufactured, or furnished by the Seller, strictly to specifications, designs and/or drawings furnished by the Buyer, it is agreed that the Buyer will defend and save harmless the Seller from any and all expense involved in any claims or damages from patent infringements.

DELIVERY

Shipping or delivery dates are determined based on receipt of details and materials required to support the order. Shipping or delivery dates are estimates only and may be changed at the sole discretion of the Seller. The Seller shall not be liable for delays in delivery or failure to manufacture or deliver; (1) due to causes beyond its reasonable control, or (2) due to acts of God, acts of the Buyer, acts of civil or military authority, subcontracts, priorities, fires, strikes, floods, epidemics, war, riot, delays in transportation or car shortages, or (3) inability due to causes beyond its reasonable control to obtain necessary labor, materials, components, or manufacturing facilities. In the event of any such delay, Seller shall have the option of being excused from further performance or to extend delivery for a period equal to the time lost by reason of the delay. In absence of shipping instructions, Seller will

use own discretion in choice of carrier. Seller assumes no responsibility for insuring shipments unless specifically requested by Buyer and then at Buyer's expense and valuation.

PACKAGING

Prices stated are based on Seller's standard packaging. Seller reserves the right of packaging material in pallets, bulk or individual cartons. Packaging will be standard commercial package and acceptable to commercial carrier. Special customer or government packaging will be furnished only when specified and so stated herein.

INSPECTION

Inspection by the Seller will be made in accordance with Seller's standard practice of quality control. Any special test or inspections will be furnished only when specified and so stated herein.

CLAIMS All claims for damaged material must be made to the transportation company by the Buyer. Unless notice of claim, for shortage and/or defective material, for products covered by Buyer's order is given in writing to the Seller within ten (10) days after receipt of shipment, such products shall be deemed finally inspected, checked and accepted by Buyer.

TAXES AND INSURANCE Any taxes or tariffs imposed by federal, state or local authorities on the manufacture or sale of articles covered by Buyer's order shall be charged to Buyer. Buyer's material, dies or tooling shall not be insured by Seller unless specifically requested by Buyer and made a part of the order at Buyer's expense. If no special agreement is made, Seller assumes no responsibility for destruction or partial loss due to fire, or other casualty beyond Seller's specific and reasonable control.

ORDER CHANGES

Orders cannot be cancelled or modified, or deliveries deferred after acceptance of Buyer's order by Seller, except with Seller's written consent and subject to conditions then agreed upon which shall indemnify Seller against liability and expense incurred and commitments made by Seller and which shall provide for profit on work in process and contract value of parts completed and ready for shipment.

LIABILITY

The Seller's liability for any claim of any kind, including negligence, for any loss or damage arising out of, connected with, or resulting from this contract, or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any equipment covered by or furnished under this contract shall in no case exceed the price allocable to the equipment or part thereof furnished by Seller which gives rise to the claim. In no event shall the Seller be liable for any incidental or consequential damages. Any action for a breach of the contract must be commenced within one year after the cause of action has accrued.

CREDIT TERMS

All orders, shipments, deliveries and payment terms shall at all times be subject to the approval of the Seller's Credit Department. The Seller reserves the right of declining to make deliveries whenever for any reason, there is doubt as to Buyer's financial responsibility and Seller shall not in such event be liable for non-performance of contract in whole or in part. Any invoices paid with a credit card are subject to a 3% (three percent) processing fee, as charged by the credit card processor.

DIES, TOOLS, JIGS, ETC.

Charges for such items when stated, separately include only a portion of the total cost. Therefore, payment of these charges does not convey title, ownership nor the right of removal from the Seller. Ownership, including the right of removal, may be obtained by Buyer by negotiation and agreement between Seller and Buyer, for a fair reimbursement for the complete cost including design, development, experimental work, maintenance, storage, etc. Such equipment when inactive for a period of two (2) years at option of Seller be scrapped upon notification of intent to Buyer and upon failure to receive written advice to the contrary from Buyer within thirty (30) days. Resulting scrap value shall belong to Seller as payment for storage and maintenance costs.

PRICES

All prices stated herein are subject to change in the event of any alterations in specifications, quantities or deliver schedules. If after Seller's acceptance of Buyer's order, the Buyer may be notified of the Seller's desire to negotiate the contract. If within a reasonable time thereafter an equitable price cannot be agreed upon, the contract may be terminated by either party upon written notice with compliance to 'Order Changes' paragraph above.

ENTIRE CONTRACT

Upon Seller's acceptance of Buyer's order the terms and provisions hereof shall constitute the entire agreement between Buyer and Seller and no statement, correspondence, samples or other term shall modify to affect the terms hereof.

GOVERNING LAW

Seller shall in performance of work or services under this order, fully comply with all applicable federal, state and local laws, rules, regulations or ordinances. This order will be interpreted in accordance with the laws of the Commonwealth of Washington.

SEVERABILITY

The invalidity or unenforceability of any phrase, sentence or section shall not affect the validity or enforceability of the balance of this Agreement.