



Global Standard Stamping Tool Service

Terms and Conditions of Sale

All sales of products and services by Global Standard Stamping Tool Service, LLC (“**Seller**”) shall be governed by the following Terms and Conditions of Sale. In these Terms of Sale, any products sold by Seller to the buyer named in Seller’s quotation/proposal, acknowledgment or invoice (“**Buyer**”) are referred to below as “**Goods**,” and any services sold by Seller to Buyer are called “**Services**.”

1. Agreement.

If Buyer has not otherwise agreed to these Terms of Sale, then Buyer’s acceptance of delivery of, or payment for, the Goods or Services or Buyer’s reference to Seller’s quotation number in its purchase order shall constitute Buyer’s agreement to these Terms of Sale. Seller inherently objects to and disagrees with any terms that are additional to or different from these Terms of Sale. Terms that are printed on or contained in a purchase order or other form prepared by Buyer which are additional to, in conflict with or inconsistent with those herein shall be considered inapplicable and shall have no force or effect. Buyer’s purchase order must reference Seller’s quotation number.

2. Price.

Pricing is established at contract award. However Seller has the right to increase its prices at any time upon notice to Buyer to reflect any unusual or unforeseen increase in Seller’s costs, including, but not limited to, an increase in the cost of materials or fluctuation in currency exchange rates.

3. Payment Terms.

Unless otherwise specified in Seller’s proposal, payment terms are as follows:

30% at contract award

30% at design completion

30% at completion of tooling at Seller’s partner facility, prior to shipping

10% at tool buyoff at Buyer facility

In case payment is not made as agreed, Buyer agrees to pay; (a) interest on past due payments from the time they are due at the rate equal to the lesser of (i) 18% per



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annum, or (ii) the maximum rate permitted by law and (b) any and all costs and expenses of collection including reasonable attorney's fees incurred by the Seller in its efforts to recover such amounts so due and owing.

4. Delivery and Risk of Loss.

Unless Seller agrees otherwise in writing, delivery shall be E.X.W. (Incoterms 2010) Seller's partner facility in China or other point of origin and all transportation charges shall be paid by Buyer in addition to the price of the Goods unless otherwise agreed in writing by Seller. Subject to Seller's right of stoppage in transit, delivery of the Goods to the carrier shall constitute delivery to Buyer and title and risk of loss shall thereupon pass to Buyer. Shipping, delivery and performance dates are estimates only. Seller shall not in any event be required to ship the Goods unless and until Buyer shall have paid in full the terms due prior to shipping as specified in section 3. In all cases, Seller's quoted lead-time begins once all appropriate technical data and purchase orders have been received and agreed to by both parties.

5. Taxes and Other Charges.

Seller's price does not include any privilege, occupation, personal property, value-added, sales, excise, use or other taxes, or charges imposed by any government authority, international shipping charges, forwarding agent's and broker's fees, consular fees, document fees and import duties. Buyer shall be liable for all such taxes, whether or not Seller invoices Buyer for them. If Seller shall be liable for or shall pay any of the foregoing, the same shall be paid by Buyer to Seller in addition to the price of the Goods and Services. In the event the Buyer claims an exemption from any tax, a valid tax exception certificate must be furnished to the Seller.

6. Force Majeure.

If Seller is not able to finish and deliver the Goods to Buyer, or to perform the Services, on time because of anything Seller cannot control, then the estimated delivery or performance time shall be extended accordingly, and Seller shall not be liable to Buyer for any damages caused by the delay. Events beyond the control of Seller shall include, but not be restricted to, fire, storm, flood, earthquake, explosion, accident, acts of the public enemy, war (declared or undeclared), rebellion, insurrection, sabotage, epidemic, quarantine restrictions, lock-outs, labor disputes, labor shortages, transportation embargoes or failures or delays in transportation, inability to secure at a reasonable



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price or in a commercially reasonable manner necessary raw materials or machinery, acts of God, acts (including laws, regulations, disapprovals or failure to approve) of any government, or Buyer's failure to approve within the allotted time the process concept, simulation, strip layout, design, or provide necessary information and materials to Seller including but not restricted to press specifications and tryout material.

7. Limited Warranty; Remedies.

Buyer agrees to inspect Goods immediately upon receipt of such Goods from Seller and to inspect Services immediately after performance of such Services by Seller. If, prior to use, installation or alteration by Buyer, any item of Goods not subject to abuse or misuse proves to be defective (as defined below), or any Services prove to be defective (as defined below), within 30 days following the date of shipment or performance, as the case may be, and if Buyer gives written notice to Seller of such defect within that period, then Seller shall, at Seller's option, either repair or replace the defective Goods or re-perform the defective Services at Seller's expense. Notice of a breach of Seller's warranty must be made in writing addressed to Seller, setting forth sufficient detail to permit identification by Seller of the claimed defect. Samples and/or pictures and inspection reports of defective Goods should accompany such notification. If Buyer uses, installs or alters the Goods or fails to notify Seller within the 30 day period following shipment of the Goods or performance of the Services, any claim for breach of warranty shall be conclusively deemed to have been waived by Buyer with respect to the alleged defect. In the event of a defect in any Goods constituting a breach of the warranty provided herein, Seller shall furnish instructions for the disposition of the defective Goods. Seller shall have the option of requiring the return of the defective Goods, transportation prepaid, and proof that the Goods were not used, installed or altered or subject to misuse or abuse to establish the claim. No Goods shall be returned to Seller without its prior written consent. The acceptance of any Goods returned to Seller shall not be deemed an admission that the Goods are defective or in breach of any warranty, and if Seller determines that the Goods are not defective they may be returned to Buyer at Buyer's expense. If Seller fails to repair or replace any defective Goods or re-perform any defective Services within a reasonable time, then Seller shall be liable to Buyer for the lesser of (i) the reasonable costs of repair, replacement or performance by a third party, or (ii) that part of the purchase price of the defective Goods or Services that shall have been paid by Buyer, but Buyer shall not obtain repair, replacement or performance by a third party without giving Seller at least fifteen (30) days prior written notice, during which time Seller may repair or replace the defective Goods or re-perform any



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defective Services. An item of Goods shall be considered “defective” if it is found by Seller to have been defective in materials or workmanship and if the defect materially impairs the value of the Goods to Buyer, except that the Goods shall not be defective to the extent that (i) they conform with drawings of or specifications (ii) they conform with testing results, dimensional layouts or buyoff requirements previously stated at the time of purchase order issue and approved in connection with the tooling buyoff at the GST partner tool facility. If Buyer’s representative agrees, either orally or in writing, to a change in or waiver of the specifications for any item of Goods, then such Goods shall not be considered defective to the extent they conform to the specifications as so changed or waived. Services shall be considered “defective” if it is found by Seller that such Services were not performed in a workmanlike manner and in accordance with general industry practices. **EXCEPT AS STATED IN THIS PARAGRAPH, SELLER DOES NOT MAKE ANY OTHER WARRANTY, EXPRESS OR IMPLIED, AS TO THE GOODS OR SERVICES AND EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, ANY COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE, AND BUYER IS SOLELY RESPONSIBLE FOR DETERMINING THE PROPER APPLICATION AND USE OF THE GOODS AND SERVICES.** In addition, notwithstanding Seller’s engineering content in the design of Goods, Buyer shall always retain responsibility for the final form, fit and function of the Goods and their design. Buyer shall not have any right of rejection or revocation of acceptance of Goods or Services. This paragraph sets forth Buyer’s sole and exclusive remedies for any defect in the Goods or Services. Neither Buyer nor any other person may modify or expand the warranty provided herein, waive any of the limitations, or make any different or additional warranties with respect to the Goods or Services. Any statements to the contrary are hereby rendered null and void unless made in a writing signed by an authorized officer of Seller.

8. Limitation of Liability and Disclaimer of Consequential Damages.

Buyer’s recovery from Seller for any claim shall not exceed Buyer’s purchase price for the Goods and Services giving rise to such claim, irrespective of the nature of the claim, whether in contract, tort, warranty, negligence, strict liability or otherwise. Seller shall not be liable for and Buyer shall indemnify and hold Seller harmless from any claims based on Seller’s compliance with Buyer’s designs, specifications or instructions used in providing the Goods and Services or modification of any Goods by parties other than Seller. Buyer shall not in any event be entitled to, and Seller shall not be liable for indirect, special, incidental or consequential damages of any nature including, without



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limitation, business interruption costs, removal and/or reinstallation costs, procurement costs, loss of profit or revenue, loss of data, promotional or manufacturing expenses, overhead, injury to reputation or loss of customers, even if Seller has been advised of the possibility of such damages.

9. Solvency and Security Interest.

Buyer represents that Buyer is solvent. Seller retains a security interest in the Goods to secure payment of the price and all other indebtedness that Buyer now and in the future owes to Seller. Buyer hereby authorizes Seller to file financing statements evidencing the Seller's security interest in the Goods.

10. Permits and Compliance.

Seller is not responsible for obtaining any permit, inspection or license that is required for installation or operation of the Goods. Seller does not make any promise or representation that the Goods will conform to any law, ordinance, regulation, code or standard.

11. Safety Features.

Buyer shall install and operate the Goods properly and shall not remove or change any safety device, warning or operating instructions that Seller placed on the Goods. Safe operation of the Goods at Buyer facility in accordance to general safety practices as well that requirements set forth by any government entities are the sole responsibility of the Buyer. Seller assumes no responsibility express or implied for how the Buyer handles, moves, performs maintenance on or operates in a production environment.

12. Tooling.

Tool development lead-times vary depending upon part complexity. In some cases, all fixtures and gages may not be complete if project schedule compression is needed to meet early pre-production requirements. If Seller imposes and Buyer pays a separately-identified charge for tooling to be used in the manufacture of the Goods, then the tooling shall be the property of Buyer, subject to the following: (1) risk of loss of the tooling shall at all times remain with Buyer; (2) Seller retains a security interest in the tooling to secure all obligations that Buyer at any time owes to Seller; (3) Buyer shall not have any right to possess the tooling as long as Seller has any outstanding obligation to



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sell to Buyer Goods whose manufacture requires use of the tooling; (4) Buyer shall reimburse Seller on demand for all costs of modifications of the tooling that are made reasonably necessary by changes in the specifications for the Goods; and (5) upon Seller's demand, Buyer shall immediately remove the tooling from Seller's premises, at Buyer's expense, and if Buyer fails to do so within ten days after that demand, then Seller may destroy or otherwise dispose of the tooling, without further notice or liability to Buyer. Buyer may not remove any tooling from Seller's premises until all amounts owing by Buyer to Seller (as determined from Seller's books and records) are paid in full. Buyer shall indemnify Seller with respect to, and shall, at its own expense, repair any tooling that is damaged during operation unless Seller determines that (i) Seller's improper operation of the tooling caused the damage or (ii) Seller manufactured the tooling and a manufacturing defect caused the damage. Seller is not responsible if tool performance exhibited at the time the tooling is delivered to and tried out by Seller prevents Seller from complying with Buyer's specifications.

13. Changes to Specifications or Orders for Tooling.

Buyer may make technical alterations to tool specifications, without penalty, during the first 20% of tool manufacturing lead-time. Changes occurring within 20% - 50% lead-time are subject to design fees. Technical changes occurring during final tooling build, or after production begins and alterations to production obligations which change the scope of the contract award technical requirements are subject to a design fee, mechanical rework fees and product re-pricing, as determined by Seller. Significant alterations that cause original design obsolescence, if permitted, are subject to cancellation fees under *Paragraph 25*, and Seller may, at its option, re-quote the entire project. Any adjustments, repairs, or other modifications requested by Buyer, or needed for start-of production, will be quoted and administered separate from the initial production contract.

14. Confidentiality.

Buyer shall not disclose or use any information about Seller's business, operations or activities, except to the extent necessary for Buyer to use the Goods or Services

15. Cancellation.

Buyer does not have any right to cancel its agreement to buy the Goods or Services from Seller. If, however, Seller agrees in writing to permit cancellation, then Buyer shall



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immediately pay to Seller a cancellation charge in an amount equal to the purchase price of the Goods ordered less allowances (in amounts that Seller determines) for (1) the realizable value to Seller of any standard components that Seller purchased or ordered before cancellation, (2) the realizable scrap value to Seller of the remaining material and tooling that Seller purchased, fabricated or ordered before cancellation and (3) any direct labor costs that Seller saved by reason of the cancellation, 4. Pay an additional thirty percent of the original tooling cost for engineering development. If Buyer fails to pay or perform any indebtedness or obligation that Buyer at any time owes to Seller, then Seller may consider Buyer's failure to be an anticipatory repudiation of any or all outstanding contracts that provide for Seller to sell Goods or Services to Buyer, and Seller may, without liability to Buyer, cancel any or all of those outstanding contracts.

16. Indemnity.

Buyer shall indemnify and hold harmless Seller with respect to all damages, losses, claims and expenses, including consequential and incidental damages and attorney fees, that Seller incurs as a result of Buyer's breach of any of Buyer's obligations under these Terms of Sale or any claimed unfair competition or patent, trademark or copyright infringement or any other claim resulting from Seller's manufacture of the Goods, or performance of the Services, to Buyer's specifications.

17. Seller's Rights.

Seller has all rights and remedies that applicable law gives to sellers. Seller's rights and remedies are cumulative, and Seller may exercise them from time to time. Seller's waiver of any right on one occasion shall not be a waiver of any future exercise of that right.

18. Time For Bringing Action.

Any action that Buyer brings against Seller for breach of this Agreement or for any other claim that arises out of or relates to the Goods or their design, manufacture, sale or delivery or the Services must be brought within one year after the cause of action accrues.

19. Applicable Law.



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This agreement between Seller and Buyer shall be considered to have been made in the State of Ohio, and it shall be governed by and interpreted according to Ohio law, without giving effect to the conflict of laws rules thereof. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF ANY OHIO STATE COURT OR FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN LAKE COUNTY, OHIO, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE SALE OF GOODS AND SERVICES OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH OHIO STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

20. Complete Agreement; Amendment.

The terms in Seller's quotation/proposal, acknowledgment or invoice and these Terms of Sale contain the entire agreement between Buyer and Seller. Any change in these Terms of Sale must be made in writing signed by an authorized officer of the Seller.