

IMS ENGINEERED PRODUCTS

GENERAL TERMS AND CONDITIONS OF SALE

The following General Terms and Conditions shall constitute a part of each accepted order or contract between IMS Engineered Products, 1 Innovation Drive, Des Plaines, IL 60016 or an affiliate of IMS Engineered Products ("IMS Engineered Products") and you, i.e., IMS Engineered Products' Customer ("Buyer").

1. **ACCEPTANCE OF ORDER.** The issuance by Buyer of a purchase order predicated upon this proposal shall not constitute a binding contract unless and until it is accepted by IMS Engineered Products at its plant. Any terms or conditions of Buyer's purchase order or similar instruments, which are in addition to or inconsistent with these General Terms and Conditions of Sale (these "Terms and Conditions") shall not apply to this transaction unless specifically agreed to in writing in IMS Engineered Products' acceptance and acknowledgement. IMS Engineered Products' failure to object to provisions contained in Buyer's order or other communication shall not be deemed a waiver of these Terms and Conditions.
2. **PRICES.** All quotations, unless otherwise stated, are for immediate action and all prices quoted therein are subject to change without notice any time prior to acceptance of your order. Previous quotations for the goods, parts or services described hereon are hereby cancelled.
3. **TERMS OF PAYMENT.** Unless expressly agreed upon otherwise by the parties, payment hereunder shall be due from Buyer within thirty (30) days after shipment of the product.
4. **CREDIT REVIEW.** IMS Engineered Products' obligations to perform under this purchase order shall be contingent upon a satisfactory credit review of Buyer.
5. **TAXES.** Unless expressly stated otherwise, prices quoted do not include any city, state or federal taxes which may be applicable. Where applicable, such taxes will be paid by the Buyer.
6. **DELIVERY.** IMS Engineered Products will make every effort to make shipment in accordance with the delivery schedule submitted to Buyer, but such delivery schedule is not guaranteed. IMS Engineered Products shall not be liable for any penalty or damages for delay in the production or delivery of the materials covered hereby if any condition or cause whatsoever (beyond the reasonable control of IMS Engineered Products) prevents compliance with such schedule. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of such delay.
7. **F.O.B. POINT.** Unless otherwise specified in writing, delivery of the products ordered will be made F.O.B. point of shipment. All products become Buyer's property and Buyer's responsibility when delivered to a common carrier or any such delivery service as Buyer may specify, at the F.O.B. point.
8. **LIMITED WARRANTY.** All statements, technical information and recommendations concerning products sold or samples provided by IMS Engineered Products are based upon tests believed to be reliable but do not constitute a guarantee or warranty. All products are sold and samples of product provided with the understanding that Buyer has independently determined the suitability of such products for its purposes. IMS Engineered Products warrants that the products shall be free from defects in material and workmanship. Should any failure to conform to this warranty appear within six months after the initial date of shipment, IMS Engineered Products shall, upon written notification thereof and substantiation that the products have been stored and applied in accordance with IMS Engineered Products' standards, correct such defects by suitable rework or replacement without charge at IMS Engineered Products' plant or at the location of the products at IMS Engineered Products' election; provided, however, if IMS Engineered Products determines that repair or replacement is not commercially practical, it shall issue a credit in favor of Buyer in an amount not to exceed the purchase price of the product(s). This remedy shall not be deemed to have failed of the contract's essential purpose. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND IMS ENGINEERED PRODUCTS EXPRESSLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
9. **PATENTS.** It is not the intention of IMS Engineered Products to manufacture any product which infringes upon any patent or third-party intellectual property right. Buyer will defend and hold harmless IMS Engineered Products from any and all expense or loss, including attorneys' fees and costs, involved in any claim for damages from infringement of a patent or third-party intellectual property right arising from compliance with Buyer's design, specification or instruction.
10. **QUANTITY.** All quotations are based on production and prompt delivery of stated quantity at one time and also upon Buyer's willingness to accept over-run or under-run on each individual item not exceeding 10% of quantities ordered unless otherwise agreed in writing. Sales quotes apply to quantities shown only; additional quantities and/or sizes will be quoted upon request.
11. **CHANGES AND CANCELLATION.** Orders accepted by IMS Engineered Products are not subject to changes or cancellation by Buyer, except with IMS Engineered Products' written consent. If a change or cancellation is so made it is agreed that all finished goods be taken at full contract price, that goods in process be paid for at cost plus pro rata profit, and that IMS Engineered Products be protected against loss on materials purchase or on contracts for the filing of the order.

12. **DEFERRED DELIVERY.** If Buyer defers the delivery date of any order or contract, IMS Engineered Products shall have the right to invoice Buyer on the scheduled delivery date for all charges due IMS Engineered Products as though the finished goods were shipped in accordance with the original delivery schedule. Upon invoicing, such goods become the property of Buyer and shall be held for Buyer's account by IMS Engineered Products.
13. **PARTIAL TOOL CHARGES.** Any charges for special tools, dies or fixtures which are necessary for the completion of orders are partial and do not cover the full costs of IMS Engineered Products for such tools, dies or fixtures. Such tools, dies or fixtures remain the property of IMS Engineered Products who shall maintain such items in good condition. Buyer shall pay for the cost of special tooling when IMS Engineered Products has submitted sample pieces made to Buyer's specification or has completed a shipment of parts in lieu of samples. Tools can become property of Buyer only by special arrangement and after paying full tool charges.
14. **TOLERANCES.** Unless dimensions are limited by a specific tolerance, it is understood that the production variations as published by IMS Engineered Products will be acceptable. General title block tolerances on blueprints shall not apply unless agreed to in writing by IMS Engineered Products.
15. **CLAIMS.** All claims for errors or shortages must be made within ten (10) days of receipt by Buyer.
16. **INSURANCE.** IMS Engineered Products accepts no risk of loss or damage to Buyer's goods by deterioration or by fire, smoke, explosion, sprinkler leakage, windstorm, flood, hail, aircraft, riot, civil commotion, labor trouble, or any other casualty while in transit, in IMS Engineered Products' possession or under IMS Engineered Products' control and IMS Engineered Products will not provide insurance coverage of any kind for such goods.
17. **ERRORS.** Stenographic and clerical errors are subject to correction.
18. **GENERAL.** Suggestions as to design use and suitability made by IMS Engineered Products are submitted in good faith; however, Buyer must and shall assume final responsibility for accepting and using such suggestions. IMS Engineered Products makes no warranty, either expressed or implied, with respect to the suitability of IMS Engineered Products' product in Buyer's final application of same. Any changes or exception of the conditions enumerated herein shall be binding upon IMS Engineered Products only if made in writing and accepted by IMS Engineered Products in writing.
19. **COMPLIANCE WITH LAW.** IMS Engineered Products will comply with all applicable Federal, state and local laws with respect to labor conditions, work opportunities and specifically represents that any goods to be delivered will be produced in compliance with the requirements of Fair Labor Standards Act of 1938, as amended.
20. **NON-WAIVER.** IMS Engineered Products' failure at any time to enforce any provision or right in connection with this purchase order shall not constitute a waiver of such provision or prejudice IMS Engineered Products' right to enforce such provision at any subsequent time.
21. **SEVERABILITY.** If any provision of this purchase order is declared invalid by a court of competent jurisdiction, such provision shall be ineffective only to the extent of such invalidity, and the remainder of that provision and all remaining provisions hereof shall continue in full force and effect.
22. **ASSIGNMENT.** This purchase order shall inure to the benefit of and be binding on each of the parties hereto and their respective successors and assigns; provided however, that no assignment of any rights or delegation of any duties under the purchase order is binding on either party unless either party's written consent has first been obtained. Notwithstanding the above, IMS Engineered Products may unilaterally assign any rights or obligations in connection with this purchase order to any wholly-owned subsidiary of or successor-in-interest to IMS Engineered Products.
23. **CHOICE OF LAW.** This purchase order shall be construed and interpreted according to the laws of the State of Illinois and the Uniform Commercial Code, as adopted by Illinois, without regard to conflict of laws principles. Buyer hereby submits to personal jurisdiction and venue of the United States District Court for the District of Illinois, and the Cook County Circuit Court. It is expressly agreed that in the construction and interpretation of the terms of the Contract, the rule of construction that a document is to be construed most strictly against the party who prepared the same shall not apply.
24. **RETURN POLICY.** No returns will be accepted without a valid return goods authorization number. For domestic returns, the product can be returned up to 30 days from the RGA issue date. For international returns, the product can be returned up to 60 days from the RGA issue date.
25. **SETOFF OR RECOUPMENT.** Buyer waives all rights of setoff or recoupment provided by law and agrees that it will not at any time withhold, deduct or set-off any claims for amounts due or to become due from IMS Engineered Products from amounts owed to IMS Engineered Products arising out of this or any other transaction.
26. **FORCE MAJEURE.** Any delay or failure of IMS Engineered Products to perform its obligations will be excused to the extent that the delay or failure was caused directly by an event beyond its control and that by its nature could not have been foreseen by IMS Engineered Products or, if it could have been foreseen, was unavoidable (which events may include but not be limited to natural disasters, embargoes, pandemics, endemics, explosions, riots, wars, acts of terrorism, strikes, labor stoppages, tariffs or slowdowns or other industrial disturbances, and shortage of adequate power, materials or transportation).