
Titanova Inc Terms and Conditions

1. **Period of Quotation.** This Quotation for the furnishing of contract manufacturing services to fabricate or modify Parts or engineering services for the integration of capital equipment by Titanova, Inc. ("Seller"), will remain in effect for a minimum period of thirty (30) days from the date signed by or on behalf of Seller and (unless previously accepted by Customer) may be withdrawn anytime thereafter by Seller.

2. **Prices.** The prices quoted are those in effect on the date of this Quotation and will remain in effect during the period of Quotation. Seller shall have the right, however, to issue a modified Quotation in the event of change in the daily, weekly, monthly or yearly Part totals. The Seller shall have the right to issue a modified Quotation in the event of unforeseeable or unknown technical, process, material surcharges, or schedule details associated with the Parts being manufactured or integrated capital equipment. Seller's prices are F.O.B. Origin (Free On Board), Seller's factory or other designated point of shipment. Prices do not include, and Customer shall pay all costs and expenses incident to shipment and handling of Parts to and from the point of Seller's factory or other point of shipment, including without limitation all transportation, shipping and handling costs, costs of insurance and costs and expenses of preparation and additional packaging.

3. **Taxes.** Prices quoted do not include (and Customer agrees to pay) taxes, tariffs, duties, or fees of any kind, which may be levied or imposed on either party by federal, state, municipal, or other governmental authorities in connection with the sale or delivery of the Parts by Seller.

4. **Terms of Payment.** Unless otherwise specifically agreed in writing by Seller, the total price is due and payable to Seller, without setoff or other deductions or charges, thirty (30) days net after date of Seller's invoice. Interest charged on late payment will be set to Prime interest rate + 1%.

If shipment or delivery of Parts is delayed by or at the request of Customer, payment will become due in full thirty (30) days from the date Seller notifies Customer that such Parts is ready for shipment. In such event, Seller may impose, and Customer agrees to pay, storage charges and other incidental expenses incurred by Seller as a result of the delay, in addition to any interest on late payment as described above.

5. **Product and Material Notices.** Customer agrees to provide the Seller appropriate Material Safety Data Sheets on the Parts when applicable.

6. **Proprietary Information.** Seller may from time to time in connection with this Quotation supply to Customer certain engineering data, drawings, designs and other documents or information relating to design, construction, performance, or use of EQUIPMENT to process/fabricate/modify Parts supplied by customer ("Proprietary Information"). Customer acknowledges and agrees that all such Proprietary Information is owned by Seller, and that the unauthorized use or disclosure of such Proprietary Information by Customer will cause irreparable damage to Seller. Customer agrees that it

will not acquire any rights to such Proprietary Information hereunder, except only a non-exclusive license (revocable by Seller on any breach by Customer of its obligations hereunder) to use such Proprietary Information solely as required for the sale of the Parts. Customer will not use the Proprietary Information in any other way and will not disclose any such Proprietary Information to any other person or entity without the prior written consent of Seller. In the event of any cancellation or termination of this contract, Customer shall immediately cease using and shall return all Proprietary Information to Seller.

7. Packaging. Unless specified otherwise, seller will package articles for shipment with existing or same packaging material and techniques that the original article where shipped with. Seller at its discretion will inform the customer of defective package material, techniques or shipping containers. It is the customer's responsibility to supply proper shipping materials and containers.

8. Delivery. Any delivery dates, or other schedule of performance by Seller are approximations, and the sole obligation of seller with respect to the schedule of delivery or performance shall be to use commercially reasonable efforts to deliver the Parts, or otherwise to perform, consistent with the reasonable demands of its business and the availability of materials and components. In any event, Seller shall have no liability to Customer or any other person for delays in performance due to strikes or labor disputes of any type; accidents, fire, floods, acts of God, or action by governmental authority; acts, omissions, or delays of Customer or any other third party; shortages of labor and materials; or without limitation of the above for any causes reasonably beyond the control of Seller. Customer shall take all arrangements for transportation, handling, and shipping of Parts. Transportation terms will be FOB Origin defined as: The buyer assumes title and control of the goods the moment the carrier signs the bill of lading. The buyer assumes risk of transportation and is entitled to route the shipment. The buyer is responsible for filing claims for loss or damage. The buyer is responsible for all freight charges.

9. Receiving Inspection. Customer shall make an examination both as to quantity of articles delivered and as to the quality of work performed hereunder immediately upon receipt of the articles processed or sold hereunder or as to the services rendered, and failure of Customer to give notice of any claims within thirty (10) days after receipt of the articles or performance of the services shall be an unqualified acceptance of the articles or services described hereunder and a waive by Customer of all claims with respect thereto. No claims against Seller of any kind, whether based on warranty, contract, negligence or other legal theory, shall be greater in aggregate amount than the price charged by Seller to process or sell the articles or perform the services in respect of which such claims are made. In no event shall Seller be liable for any special, indirect, incidental or consequential damages.

10. Laser Remanufacturing. Because of the difficulties inherent in laser cladding for salvaging parts, in the event that the results of Seller's services are unsatisfactory due to imperfections, hidden defects, changes in grade or composition of materials, original

manufacturing and/or fabrication processes or imperfections, uses for which the cladding or other laser processing operation was not reasonably designed, or similar variables over which Seller has no control, Customer shall pay in full the prices for the services performed, and no liability shall attach to Seller, regardless of the results. Where Seller's services, including any operations or processes performed by Seller, are in the nature of "salvaging parts or materials, such services will be performed on a "reasonable efforts" basis. Customer shall pay in full the prices for the services performed, and no liability shall attach to Seller, regardless of the results.

11. Warranty. Unless otherwise specified, the Company warrants the products purchased hereunder against defects in workmanship under normal use and service for a period of 30 days from the date of shipment. Company's obligation under this warranty is limited to repairing or furnishing without charge, F.O.B. Company's plant, any product proven to have been defective at the time of shipment, provided Customer has given Company written notice of any such claimed defect within 10 days of delivery. Company may require the return of the defective product, transportation prepaid, to establish the claim. Claims on parts further processed by Customer will not be honored. Company shall not, in any event, be liable for any special, indirect, or consequential damages. Company's total liability arising out of the sale of the products covered by this agreement shall not exceed the purchase price paid for any defective item. THE ABOVE WARRANTY IS IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. Changes. Seller reserves the right from time to time to correct any typographical or clerical errors, including errors in mathematical computations, which may exist in any terms of this Quotation.

13. Approval of Specifications and Drawings. Customer shall promptly approve, reject, or otherwise respond to any and all specifications or engineering drawings submitted by Seller to Customer in connection with the manufacturing of Parts. Any approval by Customer of specifications or drawings shall constitute conclusive approval of Parts supplied in conformity to such specifications or drawings.

14. Customer Delays or Cancellation. In the event that a Customer finds it necessary to delay work or shipping on a purchase order in process for any reason beyond Seller's control, Seller shall have the right to charge interest on incurred costs for work-in-progress, which includes labor and capital purchases. The balance will be set to Prime interest rate + 1%.

If the Customer cancels an existing order in whole or in part, the customer will be invoiced for incurred labor, re-stocking fees, purchased services, components, and capital equipment costs plus Seller's fees or stipulated on quote.

15. Precedence. If the various parts of this contract are inconsistent, the following order of precedence will apply; (i) Seller's Quotation and attachment documents in their entirety; (ii) special terms and conditions as agreed to in writing by Seller and Customer;

(iii) the Clauses of these TITANOVA, INC. STANDARD TERMS AND CONDITIONS OF SALE; (iv) other specifications; (v) all other attachments incorporated in this contract by reference.

16. Modifications and Waiver - Entire Agreement. Neither party has rights, warranties, nor conditions expressed or implied, statutory or otherwise, other than those herein contained. This Quotation contains the entire agreement between Seller and Customer and can be modified or rescinded only by a writing signed by both parties. No waiver of any provision of this Quotation shall be binding unless in writing signed by an authorized representative of the party against whom the waiver is asserted, and unless expressly made generally applicable shall apply only to the specific case for which the waiver is given. Failure of either party to insist upon strict performance of this quotation shall not be construed as a waiver of any term or conditions thereof.

17. Compliance with Laws. Customer shall be responsible for compliance with any and all federal, state or local laws or regulations respecting safety or respecting use of the Parts, and shall indemnify and hold Seller harmless from and against any and all claims of violations of such laws or regulations or other claims of personal injury or property damage directly or indirectly related to the use or operation of the Parts.

18. Governing Law. This Purchase Order shall be governed by and construed in accordance with the laws of the State of Missouri.