

“EVER SHARP TOOLS, INC.” also DBA, “EVER SHARP TOOLS, STANDARD TERMS & CONDITIONS

1. Applicability - All quotations covering all products and or services sold by and delivered through EVER SHARP TOOLS, Inc. (hereinafter referred to as “EST”, are subject to these Standard Terms and Conditions of Sale. EST shall not be deemed to have waived the following terms and conditions if it fails to object to the conditions appearing in, incorporated by reference, or attached to Buyer's Purchasing Order. No modification or waiver of addition to any of these Standard Terms and Conditions of Sale shall be binding upon EST unless agreed to in writing and signed by EST President in a written instrument separate from any purchase order or other printed form of the Buyer.

2. Acceptance of Orders - All orders subject to acceptance by EST at its, Michigan, USA office. All orders must clearly state the name and address of purchaser and include all product or service specifications with which the Buyer expects EST to convey or conform. EST's commencement of performance constitutes its acceptance of the order upon the terms and conditions specified in these Standard Terms and Conditions of Sale. All orders are subject to final credit approval, pre-payment may be required for new customers, or customers with a low D&B rating. Orders that do not include special part requirements, processing, or tolerance specifications will be designed and built using standard processing assumptions, and standard tolerances and specifications. Additional cost resulting from delinquent process or part tolerance specifications, scope change, or modification, will be INVOICED AS A “CHANGE ORDER” at the expense of the buyer. Abnormal material specification such as softness below 8R/C or hardness above 32R/C should be clearly called out in the purchase order, as this condition can at times be more difficult to machine.

3. Prices – Quoted prices are valid for 365 days from date of issuance. Orders issued for items or services quoted beyond this period must be confirmed at the time an order is placed. Purchase orders based upon incomplete or inaccurate specifications furnished by Buyer will normally result in additional cost. Specifications submitted after the quotation may also affect prices. Prices are based upon use of EST's specified premium materials, including those purchased by EST during its regular course of manufacturing. If Buyer specifies use of component materials other than EST's premium or specified materials, after receipt of order, prices shall be adjusted accordingly and invoiced at the time of shipment as a separate line item REFERED TO AS A “CHANGE ORDER.”

4. Terms - Unless alternate terms are included in this quotation or otherwise agreed to in writing, our STANDARD TERMS shall apply in all cases. STANDARD TERMS are: A) 1st time or international customers, 100% invoiced due upon receipt, with Purchase Order Confirmation. B) For well know or repeat customer, Net 30 terms standard. If buyer terms are different, it should be discussed and will be specified on the quote. No reproduction or design rights in or to any product are granted to Buyer by EST under any applicable purchase contract. All engineering drawings, order specifications, or quotation pricing and details, are considered proprietary. Any other information, furnished by EST is for Buyer's (or the prospective Buyer's) confidential use only and shall not be used to the detriment of EST's competitive position. All details provided are for informational purposes only and the specifications contained therein are not binding on EST except as expressly so stated by EST in writing, in the form of a separate performance guarantee. No penalty clause of any description shall be effective as to EST, unless approved in writing to include the signature of EST president.

5. Title and Delivery - All domestic shipments shall be F.O.B. shipping point (EST's Michigan Plant) and shall become the property of Buyer upon delivery to the carrier. All international shipments shall be Ex-Works, shipping point where the work is performed (EST's Manufacturing Plant), pricing does not include export packaging. The shipment shall become the property of Buyer at the commencement of loading. Buyer shall assume all risk and liability for loss, damage, or delay, after delivery to the carrier for domestic shipments, and commencement of loading for international shipments. If

shipping insurance is requested, it should be noted on the purchase order. **Quoted delivery time, references the date of the transfer of title during shipment.** EST shall not be liable for delays in the performance of any purchase order or default in delivery arising out of causes beyond the control and without the fault or extraordinary negligence of EST. Such causes include but are not limited to fires, strikes, floods, epidemics, quarantine restrictions, freight embargoes, unusually severe weather, acts of God, acts, or omissions of Buyer, the public enemy of the Government, shortages of materials, or failure of suppliers of subcontractors to satisfactorily meet scheduled deliveries, and accidents or any other factors or events beyond EST's control. Delivery dates are estimates, based on prompt receipt of all supplies from EST suppliers and information from and or performance by Buyer. EST shall not be responsible for any Buyer driven delays. In the event of any such delay, the delivery date shall be extended for a period equal to the time lost by reason of the delay. Shipping dates are computed from the date the customer issues a valid purchase order with all necessary information and any required deposit payment is received if applicable. If Buyer delays delivery of any items, EST will invoice the Buyer for said items and hold them at Buyer's risk and expense pending instructions from Buyer.

6. Packaging and Shipment - All products will be packaged in accordance with standard commercial practices for shipment and will be shipped by means deemed most appropriate by EST, or in accordance with Buyer's specific shipping instructions if applicable. Notwithstanding the above, Buyer shall be responsible for packaging and shipping costs, and all specifically requested and required packing materials, or moisture inhibitors. International Buyers are responsible for all special international packaging, and making shipping arrangements, unless otherwise requested and specifically stated in the quotation and order acknowledgement.

7. Limitation of Liability - EST's liability for any claim or action of any kind arising out of, connected with or resulting from the manufacture, sale, delivery, resale, use or repair of parts or tools furnished, or services rendered by EST (including contract operations on Buyer's material) under a purchase order, written or verbal, shall not exceed EST's price for the product, or service which gives rise to such claim or action. In no event shall EST be liable for special or consequential damages.

8. Cancellation for Convenience - Buyer may cancel an order for its convenience only upon prior written notice and upon immediate payment to EST of reasonable and proper cancellation charges as will, in accordance with good accounting practice, satisfy all costs incurred by EST and its proportionate profit from such costs, including the cost of sales.

9. Taxes - Prices are subject to increase for the inclusion of any and all taxes which are applicable and which arise from the sale, or delivery of EST's products, or services and for the collection of which EST is or may be responsible to any Government Authority, unless acceptable exemption certificates are provided by Buyer in accordance with law. This quotation does not include Sales, Use, Excise or similar taxes. Those that apply at time of shipment will be added to the invoice.

10. Assignment - A purchase order shall not be assigned in whole or in part by either party without the prior written consent of the other party.

11. Warranty - EST warrants that at the time of delivery, the products or services, sold by EST, will conform to applicable drawings and specifications, and will be free from defects in material and workmanship per acceptable industry norms. Any claim of nonconformity or for defective material or workmanship must be made within the applicable warranty period from the date of delivery to Buyer. Unless otherwise stated in EST's quotation, the warranty period for products or services, all non-conformities must be reported within 30 days of receipt, or as quoted to Buyer. Upon prompt notice (must be within 30 days from receipt of goods) of any claimed nonconformity or defect, EST's obligation under this warranty is limited, at

its option, to repairing or replacing the product or service where feasible, with transportation changes prepaid by Buyer. This warranty applies only to products or component parts thereof under normal accepted operating conditions in the plant of the original buyer and when Buyer establishes that the product has been properly installed, maintained and operated within the limits of rated and normal usage. This warranty does not extend to any labor charges for removal and/or replacement, packing, or shipping of the nonconforming or defective service or product thereof which has a life, under normal usage, inherently shorter than the applicable warranty period. EST requires EST products and tooling to be maintained and sharpened by EST only. Failure to comply may result in limitation of EST warranty. It should be noted that EST takes exception to unusually stringent quality control requirements or reduction in part tolerances, or material changes, that result in a request for no charge warranty service work or site support to the customer facility or no charge tool modification after shipment. This warranty is in lieu of and excludes all other warranties, expressed or implied, arising by operation of law or otherwise including that of merchantability. However, with respect to any tool which has been improperly stored, installed, operated or maintained or which the Buyer has itself modified, replaced, adjusted, or repaired or has permitted modifications, replacements, adjustments, or repairs by third persons, without the consent of the EST, the EST shall have no obligation under this warranty provision.

12. Inspection - EST shall provide and maintain a final test and inspection procedure in accordance with EST's normally accepted industrial commercial standards, and with the scope of EST ISO-9001 protocol. Inspection reports will be on file, and readily available if requested for one year after ship date. Delays in shipment based on buyer approvals of pre-acceptance inspection of tools, parts, services, or documentation may result in the EST invoicing the Buyer for said items and holding the Items at Buyer's risk and expense pending instructions from Buyer.

13. Governing Law - All orders, contracts and transactions shall be interpreted and construed in accordance with the laws of the State of Michigan, the county of Oakland.

14. Production Broaching or Machining Quoting and Performance - All orders for production broaching, or contract machining services (parts made complete), test broaching, or any broaching or machining services are performed on the best effort basis with no implied warranty or guarantee. Any claim or action of any kind arising out of, or connected with, or resulting from, the broaching or machining of component parts under a purchase order, verbal or written, shall not exceed EST's price of the service performed or quoted. In no event shall EST be liable for special or consequential damages, shipping, handling, packaging, or loss of anticipated profits.

13. Customer (Buyer) Satisfaction – EST's president reserves the right to modify or change the impact or enforcement of the terms listed herein to the benefit and satisfaction of any one Buyer without prejudice or precedent, in other circumstances, with other Buyers.

Thank you for your business. All questions to:

ken@eversharp.us

