

# PRINCE MANUFACTURING CORPORATION

## TERMS AND CONDITIONS

1. **Warranty:** Prince warrants only standard and custom products of its manufacture to be free from defects in materials or workmanship under normal use for the time periods set forth below.

Standard Prince product (listed in Prince's standard products catalog) is warranted for 36 months from the date of purchase by Prince's customer or 30 months from the date the product is first put into service, whichever is earlier.

Wolverine standard products are warranted for 15 months from the date of purchase by Prince's customer or 12 months from the date the product is first put into service, whichever is earlier.

Custom product is warranted for 15 months from the date of purchase by Prince's customer or 12 months from the date the product is first put into service, whichever is earlier.

Prince's obligation is to repair or replace free of charge or give credit for any part of its product that its inspection shows to be defective including the lowest roundtrip transportation charges from Prince's customer to North Sioux City, South Dakota, and return, but excluding all transportation costs from Prince's customer to its customer and all other costs such as removal and installation expenses.

Prince shall not be liable for loss of time, manufacturing costs, labor, material, loss of profits, or any other consequential damages caused directly or indirectly by defective products, whether or not such claim is based on contract, tort, warranty, or other legal basis.

Written permission for any warranty claim return must be first obtained from authorized Prince personnel. All returns must be accompanied with a complete written explanation of claimed defects and the circumstances of failure.

**PRODUCTS MANUFACTURED OR SOLD BY PRINCE ARE NOT WARRANTED EXPRESSLY OR BY IMPLICATION FOR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NOTWITHSTANDING ANY DISCLOSURE TO PRINCE OF THE USE TO WHICH THE PRODUCT IS TO BE PUT. THIS EXPRESS WARRANTY IS THE SOLE WARRANTY OF PRINCE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE WARRANTY EXPRESSLY SET FORTH IN THIS DOCUMENT. THE SALE OF PRODUCTS OF PRINCE UNDER ANY OTHER WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, IS NOT AUTHORIZED.**

(This warranty voids all previous issues.)

2. **Cancellation:** This agreement is not subject to cancellation, complete or partial, without Seller's written consent. Cancellation must be done 60 days prior to ship date. Any reduction in quantities ordered shall constitute partial cancellation subject to this clause. When Seller consents to cancellation, settlement shall be made on the following basis:

(A) Buyer will pay to Seller upon delivery, full purchase price of all articles completed at the time Seller agrees to cancellation.

(B) If Seller elects to complete that part of all the articles scheduled for delivery within 30 days of such date, the full purchase price of such articles will be paid.

(C) Buyer will further pay to Seller a percentage of purchase price of remaining articles, equivalent to percentage of completion thereof as determined by Seller's normal cost accounting methods.

(D) Buyer will also pay the full costs of materials, dies, patterns and equipment made or contracted specifically for Buyer's order.

(E) Invoices for all cancellation charges are payable promptly upon presentation.

(F) If within 30 days from the presentation of such invoice Buyer does not instruct Seller as to the disposition of the material. etc., arising from the cancellation, Seller may sell the same, crediting Buyer with the proceeds.

(G) Buyer will also pay the reasonable costs and expenses incurred by Seller in making a settlement hereunder and in protecting property in which Buyer has interest.

Seller will defer manufacture or delivery of any articles only if and to the extent agreed to in writing.

3. **Sellers Rights:** The acceptance of this order is subject to the approval of Seller's credit department. If Buyer fails to fulfill the terms of payment of this or any other present or future orders, from Buyer to Seller, Seller may defer further shipments until such payments are made or may at its option cancel this order. Seller reserves the right, even after partial shipment on account of this order, to require from Buyer satisfactory security for the performance of Buyer's obligations. Refusal to furnish such security will entitle Seller to suspend shipments until such security is furnished or to cancel this order.

4. **Pricing and Billing:** Each shipment against this contract will be priced and billed separately, in accordance with seller's published prices or special quotation in effect at the same time of the respective shipments.

5. **Taxes:** Prices do not include any present or future applicable federal, state, or local sales, use, excise, manufacturing, processing or importation tax, or any other tax or charge, that is or may be imposed on the articles or services covered hereby or on subsidiary articles or material incorporated therein. Any such taxes shall be paid promptly by the Buyer unless prohibited by law. Such taxes may be billed separately if levied after shipment. In all events, Buyer agrees to identify and to hold Seller harmless from any and all of such taxes.

6. **Delivery:** Unless otherwise stated, delivery will be made F.O.B. Seller's manufacturing plant. Risk of loss shall pass to Buyer at point of shipment. Seller shall have the right to choose means of transportation and to route shipments when specific instructions are not provided for herein by Buyer. In all events Buyer will pay for all freight, handling, storage, insurance and all other expenses from the time of shipment and if advanced by Seller shall have no liability whatsoever, nor shall this order be subject to cancellation, for any delay in delivery due to act of God or civil or military authority, fire, labor disturbance, war, insurrection or riot, failure of or delay in transportation, unusually severe weather, default of a supplier or subcontractor, or due to any other cause beyond the Seller's reasonable control. In the event of such a delay for any cause, the specified delivery date shall be extended for a length of time equal to the period of delay.

7. **Shipping Charges:** All delivered prices or prices with freight allowed are based upon prevailing freight rates and if the latter are increased or decreased such prices on all unshipped tonnage shall be increased or decreased accordingly. **It has been and continues to be the policy of Prince Manufacturing Corporation that we do NOT pay any freight charges (air, rail, truck, UPS, parcel post & etc.) for late delivery for any reason.**

8. **Terms:** Invoices are due and payable 30 days from date of invoice unless special payment terms have been agreed to between buyer and seller.

9. **Delay in Performance:** In the event of any delay in Seller's performance due to fire, explosion, strike or other differences with workmen, shortage of utility services, facility, material or labor, delay in transportation, breakdown or accident, compliance with or other action taken to carry out the intent or purpose of any law or regulation or any cause beyond Seller's reasonable control, Seller shall have such additional time within which to perform this contract as may be reasonably necessary under the circumstances and shall have the right to apportion its production among its customers in such manner as it may consider to be equitable.

10. **Overruns:** All special orders, other than standard series units, are subjected to overruns and underruns of not greater than 10%.

11. **Alteration of Terms or Conditions:** This quote, offer, or order acknowledgment is limited to the terms and conditions set forth herein. Prince hereby objects to any additional or different terms and conditions proposed by Buyer in any proposal, quotation, order acknowledgment or other document. Any such proposed terms and conditions shall be void and the terms and conditions herein shall constitute the complete and exclusive statement of the terms and conditions of the contract between the parties. No terms or conditions, other than those set forth by Prince, and no agreement or understanding, oral or written in anyway purporting to modify Prince's terms or conditions, whether contained in Buyer's purchase or shipping release forms, or elsewhere, shall be binding on Prince unless hereafter made in writing and signed by its authorized representative.

12. **Approval:** Unless agreed to by both parties, Seller will assume that this contract is entirely satisfactory and meets with Buyer's full approval.