



## Standard Terms & Conditions

*These Terms and Conditions shall govern any and all quotations and sales of products by Bearon Manufacturing, LLC (hereinafter the "Company"). Company may cancel these Terms and Conditions at any time upon written notice to customer (hereinafter "Buyer").*

- 1. Payment Terms :** Payments are due net thirty (30) days from the date of invoice unless otherwise indicated on the invoice. If payment is not received within thirty (30) days of due date, and unless otherwise negotiated, Buyer will be charged one and one-half percent (1.5%) interest per month, plus all costs and legal expenses incurred by Company in collecting payment. Checks returned due to insufficient funds will be charged back to Buyer's account with a \$25 fee. One-half (½) of tooling cost is required with purchase order, and the balance is due upon submission of a sample.
- 2. Payment Method:** Company accepts payments made via ACH, wire, check or credit card. For credit card payments, Company accepts Visa, Mastercard and Discover, but does not accept American Express.
- 3. Buyer Information Changes:** Buyer shall communicate any and all of the following to Company in writing, immediately upon occurrence: (i) changes to Buyer's contact information, email addresses, billing or mailing address, or contact personnel; (ii) changes in Buyer's name, entity classification, ownership, or senior management structure; (iii) any material adverse change in Buyer's financial condition, operations, or business; (iv) Buyer becomes insolvent or fails to pay debts as they become due; (v) any proceeding such as a bankruptcy, reorganization, arrangement or readjustment of debt, or receivership is filed by or against Buyer.
- 4. Quotations:** Clerical errors are subject to correction. Until Company accepts an order, quoted prices are subject to change without notice. All quotations are for immediate acceptance unless otherwise stated. All order and contracts are subject to acceptance at Company's home office.
- 5. Shipments:** Shipments and deliveries are subject to prior written approval by Company management. Every effort will be made to fill orders within the time period promised. The Company assumes no liability for loss or consequential damages due to any delays in delivery. Failure to make timely payment or supply information requested by Company may result in delayed shipments.
- 6. Credit:** All sales are subject to the approval of the Company's credit department. Company may suspend performance, or require cash payment of adequate security when, in Company's sole judgment, Buyer's financial condition or other reasonable grounds for insecurity exist and warrant such action.
- 7. Cancellation/Termination:** Buyer may terminate an order only upon submitting to Company a written request for termination, and such request must be considered by Company. Any such cancellation request shall be subject to Company's cancellation charges of 10% of the cancelled work and reimbursement by Buyer to Company of any costs incurred by Company pursuant to the performance of the agreement. All cancellation charges shall be determined at the time of cancellation or deferment and must provide for fair payment for work in process.
- 8. Quantities:** All quotations are based on Buyer's acceptance of over-runs or under-runs. Each individual item over-run or under-run shall not exceed 10% of quantity ordered. When closer control of quantity is required, special arrangements must be made.



9. **Delivery:** All prices are computed F.O.B. factory and shipped collect unless otherwise agreed upon in writing. Transfer to shipping company shall constitute complete delivery to Buyer. Company is not responsible for loss or damage to products in transit. In placing orders, the Buyer shall state explicitly the method of shipment preferred. In the absence of shipping directions from Buyer, Company will use its discretion in selecting a shipment method. Unless otherwise specified, Buyer must purchase insurance for any shipments if such insurance is desired.
10. **Claims/Liability>Returns:** No claim for damage, defects, shortages, or otherwise shall be valid unless made in writing and delivered to Company within (30) days of delivery of goods (including alterations) to Buyer. In the event any of the goods hereunder are found to Company's satisfaction to be defective upon examination by Company, Company is only liable to repair, replace, credit or repay the Buyer (at Company's option) for any such defective goods. In no event shall Company's responsibility to Buyer for damages exceed the purchase price of the manufactured goods determined to be defective, and not the entire order of goods if other goods are not defective. Company shall have no liability, whether in contract or tort (including but not limited to negligence and strict liability) for any injury, loss, damage, direct or consequential (as defined in UCC 2-715) or otherwise arising out of the sale of the goods hereunder or arising out of the use of the goods. Buyer releases and holds Company harmless from any and all liability for negligence with respect to any activity engaged in by the Company with respect to the goods sold hereunder and from all liability imposed on Company under Section 402A of the Restatements of Torts or any similar theory. Buyer acknowledges that it has determined that the goods purchased hereunder will suitably meet the requirements for their intended use. No goods shall be returned to Company without prior written approval.
11. **Force Majeure:** Any sale is subject to delays in execution arising from acts of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods); war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilization, requisition or embargo; rebellion, revolution, insurrection, or military or usurped power, or civil war; riot, commotion, strikes, labor disputes, go slows, lock outs or disorder, acts or threats of terrorism; inability to secure supplies or materials; or by any other causes beyond the Company's control.
12. **Security Interest:** To secure the due and prompt payment of all monies due for services rendered and castings produced, Buyer grants to Company a security interest in any tooling or pattern equipment supplied by Buyer and stored on Company's property. In the event that Buyer fails to satisfy any liabilities as and when due and payable to Company, Company shall have in respect of the tooling or pattern equipment, in addition to all other rights and remedies arising hereunder or under local law, the rights and remedies of a secured party under the Uniform Commercial Code. Without prejudice to Company's rights under applicable law, the Company shall be entitled, without notice to the Buyer, to withhold delivery of the tooling or pattern equipment, sell, set-off, or otherwise realize upon or dispose of any such tooling or pattern equipment and to apply the money or other proceeds and any other monies credited to the Buyer in satisfaction of the liabilities. This includes, but is not limited to, any interest on any such unpaid liability as the Company deems reasonable, and all costs and expenses (including reasonable attorney's fees) incurred by the Company in connection with the sale, set-off, or other disposition of the tooling or pattern equipment.



13. **Patents/Trademarks:** It is not the intention of the Company to infringe any patent or trademark. The Company makes parts strictly to dimensional specifications furnished by the Buyer or agreed to by Buyer and Company. Buyer agrees to defend, protect, and save harmless Company against all suits at law or in equity and from all damages, claims and demands for actual or alleged infringement of a United States or foreign patent or trademark and to defend any suits or action which may be brought against the Company for any alleged infringement because of the use or sale of parts made by the Company, either as such, or as parts or units of complete entities.
14. **Price Increases:** Prices are subject to change at any time due to an increase in cost of material and/or labor. Purchase order is accepted at prices prevailing at time of shipment.
15. **Taxes and Extras:** Any tax imposed by any present or future law of federal, state or local law on the manufacture or sale of the articles purchased hereunder and required to be paid by the Company, shall be added to the amount to be paid by the Buyer.
16. **Precedence Over Customer Documents:** These Terms and Conditions constitute the entire agreement between Buyer and Company and take precedence over all prior verbal or written arrangements in connection with Company's products or services. Buyer may not modify or change these Terms and Conditions by sending any documents or terms to Company with an order for products or services. Any such customer documents received by Company at any time, including, without limitation, in conjunction with an order for products, are hereby expressly waived by Buyer, shall be disregarded by Company as it completes Buyer's order, and made altogether null, void, and inapplicable. In the event of a conflict between the terms of a purchase order and these Terms and Conditions, these Terms and Conditions shall prevail except as specifically stated herein.
17. **Patterns and Tooling:** If pattern equipment or tooling is supplied by Buyer, firm prices are subject to Company's examination and approval. Company shall not be liable for loss of or damage to patterns or tooling by fire or other casualties beyond its control. Buyer shall be responsible for maintaining patterns and tooling due to wear. New patterns or tooling become the property of Buyer when paid in full including cost of alterations and cost overruns. Tools which are inactive for a period of two (2) years or more will be stored at a minimal charge. Tooling transportation, packing and crating costs will at all times be paid by Buyer. Company will not provide insurance for any patterns or tooling. If Buyer wishes to insure any patterns or tooling, Buyer shall purchase such insurance.
18. **Choice of Law:** The construction, interpretation, and enforcement of these Terms and Conditions shall at all times and in all respects be governed by the laws of the Commonwealth of Pennsylvania. Any action arising under or relating to these Terms and Conditions must be commenced and maintained in the federal or state courts as applicable in Lancaster County, Pennsylvania.
19. **Accuracy of Information:** Buyer warrants to Company that all information furnished for the purpose of obtaining credit is true, correct and complete in all respects.  
**Credit References/Check:** Buyer authorizes Company to investigate all credit references and financial responsibility of Buyer.
20. **Term.** The terms and conditions contained herein shall be deemed to apply to not only the invoice to which they accompany but shall remain unchanged and in full force and effect for continuing invoices between the parties through the remainder of the fiscal year.