



## TERMS AND CONDITIONS OF SALE

GOODS OR SERVICES SOLD BY RANDALL BEARINGS, INC. (HEREIN REFERRED TO AS "SELLER") ARE EXPRESSLY SUBJECT TO THESE TERMS AND CONDITIONS OF SALE SET FORTH BELOW BETWEEN SELLER AND THE CUSTOMER IDENTIFIED IN AN ORDER ("BUYER"), UNLESS THE PARTIES HAVE PREVIOUSLY AGREED IN WRITING TO A SUPPLY AGREEMENT IN WHICH CASE THAT SUPPLY AGREEMENT SHALL GOVERN. SELLER EXPRESSLY LIMITS ACCEPTANCE TO THESE TERMS AND CONDITIONS OF SALE AND ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS IN THE BUYER'S PURCHASE ORDER OR SIMILAR COMMUNICATION ARE REJECTED AND SHALL NOT BE BINDING UNLESS AGREED TO IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF THE SELLER. BUYER'S ACCEPTANCE OF SHIPMENT AND/OR PAYMENT FOR GOODS OR SERVICES CONSTITUTES ACCEPTANCE OF SELLER'S BUSINESS STANDARDS. BOTH THE SELLER AND BUYER ARE REFERENCED HEREIN INDIVIDUALLY, AS A "PARTY" AND COLLECTIVELY, AS THE "PARTIES."

- 1. Acceptance:** No order for goods or services from Seller shall be binding upon Seller until acknowledged in writing by Seller. Seller's written acknowledgement and these Terms and Conditions of Sale constitute the entire agreement (the "Agreement") between the Parties. Buyer will be deemed to have agreed to these Terms and Conditions of Sale upon the earliest to occur of: (a) acceptance of Seller's quotation, (b) acceptance of delivery of the goods or services, or (c) the issuance of a purchase order to Seller that conforms to Seller's quotation.
- 2. Quotations:** All parts are quoted to Buyer's print unless otherwise noted on the Seller's quote. All quotes are stated in U.S. dollars and exclusive of any sales, excise, municipal, state, or any other government taxes. Seller reserves the right to revise final quoted prices of work in process due to any change in the order on the part of Buyer. Quotations are open for acceptance ten (10) days from issuance, except material pricing which is held for twenty-four (24) hours. After ten (10) days, prices and terms are subject to change without notice, unless otherwise agreed upon in writing.
- 3. Payment Terms:** Unless otherwise agreed upon in writing by duly authorized representatives of the Parties, all amounts in an invoice are due net 30 days from the date of invoice without offset. All payments must reference the proper invoice number. If Buyer fails to pay any amounts when due, then without prejudice to any rights or remedies available to Seller at law or in equity, Seller shall have the right to suspend its performance hereunder, including the delivery of any goods until such time as all overdue amounts are paid in full. If Seller is required to undertake efforts to collect any overdue amounts, then Buyer shall be liable for all collection and attorneys' fees and costs incurred by Seller to collect monies owed from Buyer.
- 4. Extension of Credit:** Seller reserves the right to place any credit account with an overdue balance or an over the credit limit balance on "Shipment Hold" until the account is brought current or arrangements have been agreed upon. Should it be necessary for Seller to assign the account balance on the extension of credit to a licensed collection agency or to an attorney for legal action, all subsequent collections charges and/or legal fees shall be paid by the Buyer. Seller reserves the right to suspend credit or to change credit terms in its reasonable discretion when the financial condition of Buyer warrants such a change. Seller may request cash payment or a satisfactory security from Buyer prior to the shipment of goods.
- 5. Delivery and Risk of Loss:** All shipments shall be F.O.B. shipping point. Buyer shall be responsible for product quoted price, all shipping and handling charges, import fees and applicable taxes. Shipment of goods are at the risk of the Buyer upon pick up by the freight carrier. Buyer assumes all responsibility for loss, delay, or damage in transit and filing of a freight claim with carrier. Please note, to the extent shipping via UPS that UPS requires shipper to file freight claim. Standard UPS freight claim reimbursement for damaged or lost shipments is the value of the shipment up to \$100. Buyer account will only be credited up to \$100. Seller is not responsible for the value of the shipment exceeding \$100. Seller shall not be liable for any damage that occurs as the result of any non-delivery or delay due to any cause that is beyond Seller's reasonable control, including, without limitation, any changes required by Buyer that impact a delivery date or causes delay, unless otherwise agreed upon in writing by the Parties; an act of God, embargo, change in law, fire, accident, war, act of terrorism, civil disturbance, delay in transportation or an inability to obtain the necessary materials or manufacturing facilities.
- 6. Inspection:** Upon receipt of goods of the completion of any services, Buyer shall promptly inspect the goods or services, as applicable. Any claims for non-conforming goods or services or a shortage with respect to quantity shall be made in writing to Seller within thirty (30) days of receipt of such goods or services (the "Inspection Period"). If no notice of claims made within the Inspection Period, the goods or services, as applicable, shall be deemed to be irrevocably accepted by Buyer.
- 7. Return Material Authorization (RMA) for Defective or Damaged Parts:** No claim for Manufacturer Defect/Damaged Parts will be accepted unless in writing and presented within sixty (60) calendar days following receipt of goods by the Buyer. Seller approval is required prior to returning parts to Seller. Buyer's submission of photo documentation is required for all damaged shipments.
- 8. Buyer's Representations and Warranties.** Buyer acknowledges and agrees that the goods provided hereunder are manufactured by Seller's to Buyer's print and any mutually agreed upon specifications (collectively, the "Specifications"). Buyer warrants and represents to Seller that Buyer's specifications will not infringe, misappropriate, or otherwise violate any third party's patent, copyrights, trade secret, or other intellectual property right.
- 9. Exclusion of Warranty:** SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY REGARDING THE GOODS OR SERVICES PROVIDED HEREIN AND SELLER HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES MADE BY VIRTUE OF COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR



TRADE PRACTICE. NO WARRANTIES OR REPRESENTATIONS AT ANY TIME MADE BY ANY REPRESENTATIVE OF RANDALL BEARINGS SHALL BE EFFECTIVE TO VARY OR EXPAND THE EXCLUSION OF WARRANTY. Seller shall not be responsible or liable for the design, application, suitability, use, or the life of any item.

10. **Cancellation of Purchase Order:** Seller approval is required for cancellation of a Buyer purchase order. Upon Seller cancellation approval, Buyer shall reimburse Seller for all material ordered, production work completed and work in process, and for tooling and engineering expenses that may have been incurred with such order. The reimbursement amount will be set by the Seller and not to exceed the original purchase order amount.

11. **Blanket Purchase Orders:** Seller agrees to stock annual blanket inventory for up to 12 months. Inventory not depleted within the required 12-month time period will be considered past due. Remaining quantity on the blanket purchase order after 12 months will be automatically shipped to the Buyer with Net 30-day terms and purchase order will be closed.

12. **Force Majeure:** All quotations, orders, agreements, or modifications thereof, are contingent upon and subject to any occurrences beyond Seller's control included but not limited to strikes or boycotts, accidents, theft, war, shortage of material, casualty, or acts of God. Seller shall not be liable for failure to perform any agreements for such causes.

13. **Indemnity:** Buyer shall indemnify, defend and hold harmless Seller and its officers, agents, directors, and employees from and against any and all liability, damages, orders, judgments, penalties, losses, costs, and expenses (including attorneys' fees and court costs) arising out of or in connection with: (i) Buyer or its customer's the use of the goods provided by Seller under this Agreement; (ii) any claim against Seller that any Specifications provided by Buyer infringe, misappropriate, or otherwise violate any patent, copyright, trade secret, or other intellectual property right of a third party; (iii) any violation of applicable law, including those set forth in Section 16.

14. **Limitation of Liability.** TO THE MAXIMUM EXTENT PERMISSIBLE BY APPLICABLE LAW, SELLER SHALL NOT BE LIABLE TO BUYER OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, OR SPECIAL DAMAGES, LOSS OF PROFITS, LOSS OF BUSINESS OPPORTUNITY, BUSINESS INTERRUPTION, LOSS OF GOODWILL, DAMAGE OR LOSS TO REPUTATION, OR ANY OTHER NON-DIRECT DAMAGES. NOTWITHSTANDING THE FOREGOING, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, SELLER'S TOTAL AGGREGATE LIABILITY SHALL NOT EXCEED THE TOTAL AMOUNT OF MONEY PAID BY BUYER TO SELLER FOR THE PURCHASE ORDER APPLICABLE TO THE GOOD OR SERVICE AND LIMITED TO THE TWELVE MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

15. **Governing Law; Jurisdiction:** This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without regard for any conflict of law rules or procedures that would result in the application of laws other than those of the State of Ohio. For any dispute, matter of interpretation or other controversy, the Parties irrevocably consent to the exclusive jurisdiction of and venue in the state and federal courts in and for Lima, Ohio, U.S.A. and irrevocably waive any claim that just courts are inconvenient or improper.

16. **Export Control:** Buyer acknowledges and agrees that the goods may be subject to U.S. export control law and regulations. Buyer shall not, and shall not permit any third parties to, directly or indirectly, export, re-export, or release any regulated goods to any jurisdiction or country to which, or any part to whom, or for any use for which, the export, re-export, or release of any regulated goods is prohibited by applicable federal or foreign law, regulation or rule. Buyer shall be responsible for any breach of this Section by Buyer, its successors or permitted assigns, parents, affiliates, employees, officers, directors, customers, agents, distributors, resellers, or vendors. Buyer shall comply with all applicable federal and foreign laws, regulations, and rules, and complete all required undertakings prior to exporting, re-exporting, or releasing any regulated goods.

17. **Miscellaneous:** Buyer shall not assign, delegate, or transfer this Agreement without the prior written consent of Seller. This Agreement constitutes the entire agreement between the Parties and supersedes any and all prior oral or written representations, communications, and agreements regarding the subject matter hereof. This Agreement may only be amended in a writing signed by duly authorized representatives of the Parties. In the event that any court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable, such a determination shall not affect any other provision, which shall remain in full force and effect. No waiver shall be effective against a Party unless it is contained in a writing signed by a duly authorized representative of the Party against whom enforcement is sought.