



## Prospect Machine Products

Unless otherwise stated on the previous sheet(s), all orders related to this document shall be subject to the following:

### CONDITIONS OF SALE, DISCLAIMER OF WARRANTY AND LIMITS OF LIABILITY

**NEW ACCOUNTS** are subject to credit approval, or advance payment will be required.

**PRICING** Quotations are subject to withdrawal or change at any time prior to final acceptance by the company. All orders are subject to final acceptance by the company at Prospect, Connecticut, and shall be governed by the laws of the State of Connecticut. Prices quoted are based on today's conditions and are subject to adjustment, increase or decrease, consistent with fluctuation in material costs and wage levels. Any adjustment would apply to unshipped balances on purchase order (s) based on quotation and accepted by this company.

**TAXES** All sale and/or use taxes and Custom duties imposed by Federal, state, county, or municipal authority upon seller's transfer and delivery of merchandise hereunder shall be paid by the buyer.

**CANCELLATION** Following acceptance by seller of buyer's order, no cancellation and/or suspension, either in whole or in part may be made by the buyer other than with the prior written agreement of seller and upon terms that the buyer shall indemnify seller in full against all loss (including without limitation loss of profit whether direct, indirect or consequential) damages, costs, expenses and other liabilities awarded against or incurred by seller as a result of or in connection with the cancellation or suspension.

**SAMPLES** Seller shall submit samples for approval when commencing production of every new product, every design change on existing product and at buyer's request. It is understood that seller's machines are to be run immediately. Any changes in original specifications will be made only at buyer's direction and expense. Seller will be notified immediately with notice followed by written confirmation.

**DELIVERY** Every effort will be made to fill orders within the time promised but under no circumstances will the seller assume responsibility for any damages growing out of or owing to any delay whatever. Acceptance of blanket orders will be based on volume and time constraints imposed by the seller

**OVER/UNDER RUNS** Buyer agrees to accept over/under runs not to exceed 10% of order quantity on each line item. Closer control of quantity requires special arrangements with vendor.

**PACKAGING AND SHIPPING** Bulk packaging is standard. Buyer shall bear the expense of all other packaging. Shipments will be insured at customer's expense unless otherwise specified.

**CLAIMS** for defective or damaged product or shortages must be made within 15 days of receipt of goods. No products shall be returned to us for any reason without our written permission. Damaged shipping cartons must be saved and weights found in shipment must be reported for claim purposes.

**WARRANTY** Seller warrants that goods manufactured by him will conform to the drawings and specifications furnished by buyer. Where products are used and combined with other equipment or components not furnished by seller, buyer agrees to indemnify seller for all claims and expenses resulting from the use or incorporation into buyer's products. No express or implied warranty of merchantability or fitness for use is made except as provided herein.

**LIMITED LIABILITY** The seller's liability is limited to the value of the products or services stated on the reverse side of this document and ceases with their acceptance. The foregoing states seller's entire and exclusive liability. In no event will seller be liable for consequential or special damages arising from any defect or use of his products.

**TOOLING** All engineering concepts, tool and die prints, and the subsequent manufacture of dies, punches, and sundry other parts engendered from the above are the property of seller. Seller will render tooling obsolete three years after last order for any given part and will dispose of such tooling at seller's discretion. Tooling charges are 50% with placement of order and 50% upon acceptance of first article. Design changes leading to revisions effecting physical alterations of the part either partially tooled or completely tooled will lead to additional tooling charges.

**PATENTS** The products hereunder are manufactured in accordance with the buyer's specifications and design. Accordingly, buyer shall defend and save harmless vendor from all damages, claims, actions or suits based upon actual or alleged infringement of any patent registered in the U.S. or elsewhere. Indemnity shall include attorney's fees and other costs in defending such claim.

**FEDERAL AND STATE LAWS** Federal and state laws are being complied with on any purchase order related to this document.

**AFFIRMATIVE ACTION** Relevant portions of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and Section 4212 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, and the implementing rules and regulations are hereby incorporated by reference.

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