



Terms of Sale

S/N PRECISION ENTERPRISES, INC., DBA PACAMOR KUBAR BEARINGS
TERMS OF SALE EXPRESSLY LIMIT THE ACCEPTANCE OF THE ORDER SET FORTH ON THE FACE OF THIS DOCUMENT TO THE TERMS SET FORTH BELOW. ALL APPLICABLE EXPRESS OR IMPLIED SELLERS RIGHTS INCLUDED IN THE UNIFORM COMMERCIAL CODE OF THE STATE OF NEW YORK IN FORCE ON THE DATE HEREOF APPLY TO THIS SALE UNLESS WAIVED IN WRITING BY S/N ENTERPRISES, INC. IF THE SELLER AT ITS OPTION AGREES TO A WAIVER OF ANY OF THE TERMS AND CONDITIONS RECITED HEREIN, SUCH WAIVER SHALL NOT FOR ANY PURPOSE BE CONSTRUED AS A WAIVER OF ANY SUCCEEDING BREACH OF THE SAME OR ANY OTHER TERMS OR CONDITIONS OF SAID CONTRACT, NOR SHALL SUCH A WAIVER BE VIEWED AS A COURSE OF PERFORMANCE.

1. This acceptance contains a complete and final agreement between S/N Precision Enterprises, Inc. and the Buyer. No agreement or other understanding purporting to alter, change, vary or modify any term or condition contained herein shall be binding upon S/N Precision Enterprises, Inc. unless reduced to writing and signed by it. Oral statements made by salesmen or other representatives are not binding unless confirmed in writing by S/N Precision Enterprises, Inc.
2. Buyer hereby agrees that this agreement was consummated in New York State and shall be interpreted and enforced according to its laws. For this purpose, Buyer hereby consents to jurisdiction to the courts in the State of New York as to any action or proceeding arising out of this agreement. Buyer expressly waives its rights to raise any and all defenses to an attempt by S/N Precision Enterprises, Inc. to satisfy any judgment (based on this agreement) by way of restraining order, execution or like process, and Buyer authorizes any person who is in possession of any assets of, or obligation owing to Buyer to release such assets to S/N Precision Enterprises, Inc. upon services of appropriate legal process on that person and

pursuant to such judgment, but not to exceed, in value or amount, the unsatisfied balance of such judgments.

3. In the event any third party causes injury to the goods included in this order or otherwise causes S/N Precision Enterprises, Inc. or Buyer to sustain any damages on account of said goods, it is expressly agreed that S/N Precision Enterprises, Inc. shall have the option of effectuating recover whether by settlement or by liquidation. In the event S/N Precision Enterprises, Inc. exercises such option Buyer agrees to cooperate only to such proceeds of that litigation as exceed the amount of loss sustained by S/N Precision Enterprises, Inc. together with its necessary expenses in pursuance of that litigation.
4. Each shipment in partial fulfillment of an order shall be treated as a separate and independent contract for which Buyer shall make payment as invoiced. If Buyer fails to pay according to any invoice or if S/N Precision Enterprises, Inc. prior to delivery, discovers that Buyer is insolvent or will not fulfill his obligation to effect payment, S/N Precision Enterprises, Inc. may alter the terms of payment or request security. If no security acceptable to S/N Precision Enterprises, Inc. is made, S/N Precision Enterprises, Inc. may discontinue further shipments or cancel the contracts without obligation or liability to itself and without prejudice to any other lawful remedy.
5. Stenographic or clerical errors are subject to correction.
6. All payments are due net 30 days after date of invoice, F.O.B., Troy, New York. A service charge will be charged to Buyer at the highest percentage rate applicable computed monthly from the date of invoice for any amounts outstanding on the due date until full payment is received.
7. Delivery dates are based on normal expectancy and are approximate. We shall not assume liability for unusual delays if failure to deliver or fill any order where caused by Acts of God, fires, flood, strikes, work stoppage, accidents, allocations or other controls or regulations including export or import regulations of any foreign or U.S. Federal, State, or Local Government, shortage of cars, or any other means of transportation, fuels, materials or labor, or any other cause beyond our reasonable control, whether or not similar in kind or class to those mentioned. Furthermore, delivery of all or any part of this contract is contingent on our ability to get supplies and raw materials from our usual sources, and is further limited to the extent that our ability to deliver may be affected by the requirements or regulations of U.S. Government or by our acceptance of U.S. Government contracts.
8. Prices indicated to Buyer are current, but the price in effect at the time of shipment will apply. Prices shall be escalated to cover our cost increases, due to increases in labor costs, in supplier prices for material and goods, in tariffs, and in freight rates, and due to currency fluctuations. Cost increases between the date of shipment and the earlier of acknowledgement date or quotation date shall be so covered. The price does not include any Federal, State or Local property, license, privilege, sales, use, excise, gross receipts or other like taxes which may now or hereafter be applicable to measured by or imposed upon or with respect to the transaction, the property, its sale, its value or its use. Buyer agrees to pay or reimburse any such taxes which we or our subcontractors or suppliers are required to pay.
9. **LIMITED WARRANTY: WE WARRANT THAT THE GOODS TO BE DELIVERED WILL BE FREE FROM DEFECTS IN MATERIAL OR WORKMANSHIP AS OUR STANDARDS OF MANUFACTURE AND INSPECTION WILL REASONABLY ALLOW. SHOULD ANY FAILURE TO CONFORM TO THIS WARRANTY APPEAR WITHIN ONE YEAR AFTER THE INITIAL DATE OF DELIVERY, THE SELLER SHALL, UPON RETURN OF THE GOODS TO OUR PLANT LOCATION SO DESIGNATED, CHARGES PREPAID AND SUBSTANTIATION BY US THAT THE GOODS HAVE BEEN STORED, INSTALLED, AND MAINTAINED AND OPERATED IN ACCORDANCE WITH THE**

SELLERS RECOMMENDATIONS AND STANDARD INDUSTRY PRACTICE, REPLACE THE GOODS FREE OF CHARGE OR ISSUE A CREDIT AT OUR OPTION. NO OTHER REMEDIES SHALL BE AVAILABLE.

10. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHER WARRANTY OF QUALITY, WHETHER EXPRESSED OR IMPLIED, EXCEPT OF TITLE. Corrections of nonconformities, in the manner and for the period of time provided above, shall constitute fulfillment of all liabilities of the Seller to the Purchaser with respect to, or arising out of the goods, whether based on contract or negligence, strict tort or otherwise. LIMITATION OF LIABILITY: The Seller shall not under any circumstances be liable for consequential, incidental or special damages, such as, but not limited to, damage or loss of other property or equipment, loss of profit or revenue, cost of capital, cost of purchased or replacement goods, or claims of customers of Purchaser for service interruptions. The remedies of the Purchaser set forth herein are exclusive, and the liability of Seller with respect to any contract, or anything in connection herewith such as performance or breach thereof or from the manufacture, sale, delivery, resale, installation, or use of any goods covered by or furnished under this contract whether arising out of contract, negligence, strict tort or under any warranty, or otherwise, shall not, except as expressly provided herein, exceed the price of the goods upon which such liability is based.
11. Terms additional or deviating from the provisions of this acknowledgement will not be binding on S/N Precision Enterprises, Inc. unless agreed to in writing by us, per an officer. In the event of conflict between terms and conditions appearing on Buyers purchase orders or other documents, the terms and conditions stated herein will prevail.
12. Buyer guarantees that no valid patent has been or will be infringed by any sale or any use of parts covered by this acknowledgement and that it will at its own expense defend every suit which may be brought against the seller for any infringement of any patents, by reason of any past or future sales or uses of any parts covered in this acknowledgement, providing Buyer is promptly notified of such suit. Buyer agrees to reimburse seller for any and all cost of damages seller may be obligated to pay or may incur by reason of such suits or claims.
13. Merchandise sold by us cannot be returned for credit without our written consent.
14. No cancellations, rescheduling or changes in quantities of orders placed with S/N Precision Enterprises, Inc. will be accepted without written approval per an officer of S/N Precision Enterprises, Inc. In the event that Buyer decides to cancel, and S/N Precision Enterprises, Inc. approves said cancellation of the order or any portion thereof on the face of this document, Buyer shall advise S/N Precision Enterprises, Inc. in writing of the effective date and quantities for which cancellation is desired accompanied by a certified or cashiers check for a minimum cancellation charge equal to 25% of the total dollar amount of the order or portion thereof for which cancellation is desired. Seller shall then attempt to stop all work in process as quickly as possible so that the total cancellation charges may be computed on an equitable basis.
15. Buyer must, if he or she was not aware of the terms and conditions contained herein at the time of purchase, object to the terms and conditions within (10) ten days after such purchase or be deemed to have agreed to all provisions of these terms of sale.
16. If any term, provision or condition contained herein or application thereof to any person or circumstances is held invalid or unconscionable such invalidity or unconscionability shall not affect other provisions or applications of the contract which can be given effect without the invalid or unconscionable provision or application and to this end the provisions of this contract are declared to be severable.