

## **Southeastern Machining and Field Service Terms and Conditions of Sale**

The following terms of sale shall be applicable to all sales made by Southeastern Machining and Field Service, except where it is otherwise expressly agreed in writing. Acceptance of delivery of any or all goods ordered by a buyer ("Buyer") shall constitute assent by the Buyer to these terms of sale collectively.

### **1. PRICE**

Prices are based on information provided at the time of RFQ.

Any changes or updates to requirements may impact pricing. Includes: quantities, materials, dimensions, partial orders, part geometry, finishing, inspection documentation, delivery, specific packaging.

Prices are subject to review at the time of order due to market volatility.

### **2. SURCHARGES AND TAXES**

Any and all surcharges imposed by Southeastern Machining and Field Service's suppliers at the time of shipment shall be paid by Buyer. All prices quoted by Southeastern Machining are exclusive of all taxes. In addition to the purchase price, Buyer shall pay or reimburse Southeastern Machining the amount of all sales, use and ad valorem taxes, excises, duties, tariffs, and/or other governmental charges, under any existing or future law, that Southeastern Machining may be required to pay with respect to the sale, purchase, delivery, storage, processing, use, consumption or transportation of any of the goods or services covered. The foregoing shall not apply to any taxes the payment or collection of which by Southeastern Machining is excused by reason of delivery to Southeastern Machining of valid tax exemption certificates.

### **3. SALE ON CREDIT; TERMS OF PAYMENT**

Southeastern Machining and Field Service reserves the right in its sole discretion to approve, conditionally approve or disapprove any request by Buyer for credit. The amount of credit Southeastern Machining and Field Service extends to Buyer will be determined by Southeastern Machining and Field Service in its discretion and may vary from time to time. Upon Southeastern Machining and Field Service 's request from time to time, Buyer will provide Southeastern Machining and Field Service with current financial information. Buyer grants permission to Southeastern Machining and Field Service to obtain independent credit reports and other information from Buyer's trade references and banks and authorizes credit references and banks to release information that may be used to determine creditworthiness, both now and in the future. Buyer represents and warrants that any financial information provided to Southeastern Machining and Field Service will be true and correct in all material respects and shall fairly and accurately present the financial condition of Buyer as of the date of such financial statements. Buyer shall notify Southeastern Machining and Field Service, in writing, of any error in any invoice within ten (10) days after the Buyer's receipt of such invoice, and, if no such notice from Buyer is received by Southeastern Machining and Field Service, the invoice shall be deemed to be correct and payable as delivered to Buyer. Unless otherwise expressly provided by Southeastern Machining and Field

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Service in writing, Southeastern Machining and Field Service 's terms will be net thirty (30) days from the date of invoice. Southeastern Machining and Field Service refers any unpaid past due balance to an outside collection agency and/or attorney for collection, Buyer agrees to pay Southeastern Machining and Field Service 's reasonable attorneys' fees and all other costs of collection. All payments made by Buyer to Southeastern Machining and Field Service shall be applied in the following priority: (a) first to the amounts, if any, due to Southeastern Machining and Field Service for attorneys' fees and court costs, (b) second to the amounts, if any, due to Southeastern Machining and Field Service in the event of Buyer's default, (c) third to the amount, if any, of interest due to Southeastern Machining and Field Service as a result of Buyer's late payment and (d) finally to the balance of the purchase price due to Southeastern Machining and Field Service for the goods. To secure Buyer's full and prompt payment of the purchase price for the goods, Buyer hereby grants Southeastern Machining and Field Service a first priority, purchase money security interest in and to the goods and all products and proceeds there from. Buyer authorizes Southeastern Machining and Field Service to file a UCC financing statement to perfect this security interest at any time.

### **4. DELIVERIES**

Any shipping schedule is approximate. Southeastern Machining and Field Service shall not be liable for any delay in delivery or failure to deliver caused for any reason in whole or in part beyond our reasonable control. Should shortages in Southeastern Machining and Field Service 's supply occur for any reason, Southeastern Machining and Field Service may allocate the material in such manner and amount as Southeastern Machining and Field Service may determine. Acceptance by Buyer of any goods shall constitute a waiver by Buyer of any claim for damages on account of any delay in delivery of such goods.

### **5. SHIPMENTS**

Unless otherwise expressly stated, shipment may be by carrier or other means selected by Southeastern Machining and Field Service, Inc.

### **6. SUSPENSION OF PERFORMANCE**

If in Southeastern Machining and Field Service 's judgment reasonable doubt exists as to Buyer's financial responsibility, or if Buyer is past due in payment of any amount owing to Southeastern Machining and Field Service, Southeastern Machining and Field Service reserves the right, without liability and without prejudice to any other remedies, to suspend performance, decline to ship or to stop any material in transit, until Southeastern Machining and Field Service receives payment of all amounts owing to Southeastern Machining and Field Service, whether or not due, or adequate assurance of such payment.

### **7. WARRANTY**

Southeastern Machining and Field Service warrants only that the goods will conform to their description as stated in the invoice, subject to tolerances and variations described in the following paragraph. SOUTHEASTERN MACHINING AND FIELD SERVICE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, STATUTORY OR OTHER, AND SPECIFICALLY DISCLAIMS AND EXCLUDES ANY AND ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE

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AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, SOUTHEASTERN MACHINING AND FIELD SERVICE MAKES NO WARRANTY OF ANY KIND THAT THE GOODS WILL MEET BUYER'S OR ANY OTHER PERSON'S REQUIREMENTS.

### **8. INSPECTION**

Items must be examined by the Buyer immediately upon receipt to determine correctness of shipment as to quantity, size, length, and condition. The buyer must not alter or otherwise use items without such examination.

### **12. CLAIMS**

If, upon inspection by Buyer as provided above, any goods received by Buyer are nonconforming, damaged, visibly defective or if the quantities received by Buyer do not agree with the quantities indicated on the shipping documents, Buyer must notate that on the delivery receipt. If goods are found to be nonconforming or damaged when unpacking and if Buyer intends to assert any claim against Southeastern Machining and Field Service on this account, Buyer shall, within 30 days after receipt of such goods, furnish Southeastern Machining and Field Service detailed written information of such damage, nonconformance, defect or shortage. Buyer's failure to so inform Southeastern Machining and Field Service or Buyer's use of the material shall be Buyer's acknowledgment that Southeastern Machining and Field Service has satisfactorily performed. Southeastern Machining and Field Service will not honor any claims for damages caused by Buyer's improper storage of the goods.

### **13. LIMITATION OF LIABILITY**

Buyer's exclusive remedy, and Southeastern Machining and Field Service only liability arising out of this contract, shall be replacement or repair of the goods, or credit of the purchase price paid by Buyer, whichever such remedy Southeastern Machining and Field Service shall select. If Southeastern Machining and Field Service elects to repay the purchase price, Buyer must return the goods to Southeastern Machining and Field Service immediately. Except for nonpayment by Buyer, any action arising out of this contract must be commenced within one year from the date of delivery. In no event will Southeastern Machining and Field Service be liable for incidental or consequential damages, indirect damages, punitive damages, or damages for loss of revenue or profit, business interruption, or business opportunity.

### **14. Programs, Tools, Fixtures**

\*All manufacturing processes (physical or electronic) remain property of Southeastern Machining and Field Service unless otherwise specified.

### **\*15. FORCE MAJEURE**

Southeastern Machining and Field Service shall be excused for any failure or delay in the performance of any of its obligations to Buyer if such failure or delay is due to a strike, work stoppage, labor dispute, material shortage, utility outage, delay in transportation, fire, flood,

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earthquake, severe weather, act of God, pandemic, accident, trade sanction, embargo, act of war, act of terror, condition caused by national emergency, new or changed law, production schedules of produced components, unavailability of materials, causes which abnormally increase the cost of performance, or any act or cause beyond the reasonable control of Southeastern Machining and Field Service , and whether affecting Southeastern Machining and Field Service or its agents, subcontractors, dealers or suppliers, for as long as such circumstances prevail. In such event, Southeastern Machining and Field Service will as soon as practicable notify the Buyer of any actual or anticipated failure or delay.

### **16. PATENT INFRINGEMENT**

If any of the goods are to be furnished to Buyer's specifications, Buyer agrees to indemnify Southeastern Machining and Field Service and its successors and assigns, against all liabilities and expenses resulting from any claim of infringement of any patent or other propriety right in connection with the production of such goods.

### **17. GOVERNMENT CONTRACTS**

Unless otherwise expressly notified in writing, Buyer's order has not been placed under a prime contract with the U.S. Government or a subcontract thereunder and none of the clauses contained in the government procurement regulations are incorporated herein.

### **18. COMPLIANCE WITH LAWS**

Southeastern Machining and Field Service agrees that its sale of the goods will comply with all applicable federal, state and local laws and regulations.

### **19. CANCELLATION**

A contract may be cancelled or modified only by written agreement between the parties. Buyer's insistence upon cancelling or suspending fabrication or shipment, or Buyer's failure to furnish specifications when required, may be treated by Southeastern Machining and Field Service as a breach of contract by Buyer, and Southeastern Machining and Field Service may cancel any unshipped balance without prejudice to any other remedies Southeastern Machining and Field Service may have.

### **20. SET-OFF**

Buyer authorizes Southeastern Machining and Field Service to apply toward payment of any monies that become due Southeastern Machining and Field Service hereunder any sums which may now or hereafter be owed to Buyer by Southeastern Machining and Field Service or by any subsidiary or affiliated company of Southeastern Machining and Field Service .

### **21. GOVERNING LAW**

This contract and all other agreements with respect to any and all sales by Southeastern Machining and Field Service shall be governed by Ohio law , and the state or federal courts located in Fairfield County, Ohio, shall have exclusive jurisdiction with respect to any disputes related hereto or thereto, which jurisdiction may be waived at Southeastern Machining and Field Service 's sole discretion.

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### **22. ENTIRE AGREEMENT**

The terms set forth herein constitute the sole terms and conditions upon which Southeastern Machining and Field Service offers goods for sale. No other terms, conditions, or understandings, whether oral or written shall be binding upon Southeastern Machining and Field Service, unless hereafter made in writing and signed by an authorized representative of Southeastern Machining and Field Service. Southeastern Machining and Field Service hereby specifically objects to any different or additional terms that may be contained in Buyer's purchase order.