



STANDARD TERMS AND CONDITIONS OF SALE

1.0 **QUOTATION:** The attached quotation is subject to acceptance within ninety (90) days from date of issue and is subject to change without notice thereafter. These Terms and Conditions and the attached quotation represent the final, complete, and exclusive agreement between the parties. Buyer waives its signed acceptance of these Terms and Conditions. These Terms and Conditions and the attached quotation may not be modified, supplemented, explained, or waived, except in a writing signed by an authorized representative of NORTHTECH INNOVATIONS at its Mio, Michigan office and is not binding on NORTHTECH INNOVATIONS until so approved and accepted. The prices quoted are subject to escalation if so provided in the attached quotation or these Terms and Conditions.

2.0 **SHIPMENT AND DELIVERY:** The goods sold will be shipped free carrier ("F.C.A."), as defined by the purchase order from the NORTHTECH INNOVATIONS's factory. Delivery by NORTHTECH INNOVATIONS to Buyer is completed when the goods are handed over to and signed for by Carrier, the goods thereafter being at Buyer's risk. Buyer will make all claims against Carrier for damage incurred during shipment. NORTHTECH INNOVATIONS shall be excused for any delay in delivery or any part of delivery hereunder resulting from any cause beyond its reasonable control, including, but not limited to, fire, explosion, flood, epidemic, war, interruption or delay in transportation, equipment failure or breakdown, or labor disputes. In case of delay caused by Buyer's failure to furnish necessary information or details, NORTHTECH INNOVATIONS may extend date for shipment for a reasonable time, based on the period of Buyer's delay and conditions at NORTHTECH INNOVATIONS's factories. In case shipment shall be delayed by Buyer's failure to furnish shipping instructions on request, or otherwise by Buyer, NORTHTECH INNOVATIONS may, at its option, invoice material ready for shipment, and payment therefore shall be made in accordance with the terms hereof.

3.0 **INVOICES:** All invoices, including invoices for partial shipments, are due net thirty (30) days from the invoice date. All invoices which are not paid when due will be subject to two percent (2%) interest per month thereafter until paid. Buyer shall be responsible for any actual attorney fees and costs incurred by NORTHTECH INNOVATIONS in connection with the collection of any sum due NORTHTECH INNOVATIONS, the enforcement of any rights and remedies of NORTHTECH INNOVATIONS under these Terms and Conditions, or the determination of the construction of any portion of these Terms and Conditions.

4.0 **STORAGE:** In the event Buyer delays shipment for any reason, NORTHTECH INNOVATIONS shall place goods sold hereunder in storage for a period of time not to exceed thirty (30) days. Upon default of Buyer or the expiration of the thirty (30) day period, whichever occurs first, NORTHTECH INNOVATIONS may pursue all available legal and equitable remedies. Buyer shall pay all handling, insurance, and storage charges.

5.0 **TITLE TO GOODS/EQUIPMENT:** The title to the goods sold hereunder, and the right of repossession and removal thereof, shall remain with NORTHTECH INNOVATIONS until payment in full. In the event of default by Buyer, NORTHTECH INNOVATIONS shall have the right of repossession and removal of the goods sold hereunder. Buyer agrees to properly care for all goods delivered until the same are fully paid for, and to hold NORTHTECH INNOVATIONS harmless against any taxes assessed upon the goods, or any part thereof, after shipment.

6.0 **DEFAULT:** The following shall constitute default hereunder:

1. Non-compliance with or breach of any term hereof;
2. Default in the payment terms hereunder;
3. Selling, assigning or transferring the goods sold hereunder prior to full payment;
4. Removing the goods sold hereunder from Buyer's plant prior to full payment; or
5. The occurrence of any event which causes NORTHTECH INNOVATIONS to deem itself insecure.

7.0 **INSURANCE:** From time of shipment to full payment to NORTHTECH INNOVATIONS, Buyer shall insure the goods as provided herein. The Carrier shipping the goods shall provide trip transit coverage. Once the goods have been placed with Buyer, Buyer shall provide special perils coverage, including, but not limited to, fire, theft, and lightening. Buyer shall name NORTHTECH INNOVATIONS loss payee.

8.0 **ALTERATIONS:** Unless expressly agreed, NORTHTECH INNOVATIONS will not provide any field electric wiring, stacks, steam, gas, oil, or water piping. All required changes in existing buildings or equipment, including foundations, drains, or supports for the equipment sold hereunder, shall be made by and at the expense of Buyer. Buyer assumes all responsibility for the condition of its equipment and parts, for the safety and condition of the work site, and for the compatibility of equipment furnished hereunder with Buyer's building and operating conditions.

9.0 **CHANGES IN SPECIFICATIONS OR DRAWINGS:** All additional expenses to NORTHTECH INNOVATIONS due to changes in specifications or drawings requested by Buyer and for any work performed or goods furnished in addition to that herein specified, shall be added to the purchase price and paid by Buyer.

10.0 **DELAYS:** Buyer agrees to reimburse NORTHTECH INNOVATIONS for any loss, penalty, or expense incurred by NORTHTECH INNOVATIONS, including, but not limited to, required overtime work, resulting from any delays that are not caused by NORTHTECH INNOVATIONS.

11.0 **LIMITED WARRANTY:** Goods manufactured solely by NORTHTECH INNOVATIONS and sold hereunder will be free from defects in materials and workmanship for twelve (12) months from the date of shipment for new machines, six (6) months for parts and six (6) months for rebuilt equipment. Equipment manufactured by others and rebuilt by NORTHTECH INNOVATIONS will be free from defects in materials and workmanship for six (6) months from date of shipment. Rebuilt equipment warranty is limited to only the parts replaced and work performed by NORTHTECH INNOVATIONS for the rebuild. Provided, however, Buyer must give written notice to NORTHTECH INNOVATIONS specifying the nature of any alleged defect within ten (10) days of Buyer's discovery of the alleged defect. **All goods manufactured by others, but included as a part of specified goods, will be subject to the standard warranty as issued by the manufacturer.**



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THE FOREGOING IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

- 11.1 The Limited Warranty shall be null and void upon the occurrence of any of the following conditions:
 - Damage, which is incurred in shipping or transportation of the goods.
 - Normal wear and tear, chemical attack, corrosion, or abrasion
 - The use of non-O.E.M. parts or components.
 - Misuse or abuse of the Goods.
 - Extended storage of goods where buyer does not explicitly follow documented storage procedures and regularly employ NORTHTECH INNOVATIONS to inspect and maintain the goods.
 - Repairs or replacements not authorized in writing by NORTHTECH INNOVATIONS.
- 11.2 NORTHTECH INNOVATIONS requires all alleged defective goods be returned for analysis within (15) days after receipt of replacement. Buyer agrees to issue NORTHTECH INNOVATIONS a purchase order covering the full value of the replacement goods and agrees to pay NORTHTECH INNOVATIONS if the alleged defective goods are not returned within the time specified or if NORTHTECH INNOVATIONS, at its sole discretion, determines the goods did not fail due to defects in materials or workmanship. NORTHTECH INNOVATIONS will accept no returned goods without an RMA (Return Material Authorization). NORTHTECH INNOVATIONS will issue an RMA upon notification of any goods being returned. The RMA number must be clearly marked on the outside of the package.
- 11.3 Where performance figures are given, it is understood they are not guaranteed but are the result of analysis of the conditions submitted by Buyer and represent an estimate of output and/or other conditions which may be expected under normal conditions from the equipment specified. NORTHTECH INNOVATIONS shall be notified of, and reserves the right to be represented at, any tests which Buyer may make in relation to operation.
- 11.4 Buyer shall comply with all applicable federal, state, and local statutes, rules, regulations, and orders, including, but not limited to, safety and health laws and regulations. Buyer acknowledges and understands that NORTHTECH INNOVATIONS makes no representation or warranty that its goods meet all present OSHA requirements, and goods can only be shipped on this understanding.
- 12.0 **LIMITATION OF REMEDY: IN NO EVENT SHALL NORTHTECH INNOVATIONS BE HELD RESPONSIBLE OR LIABLE FOR INCIDENTAL AND/OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS.** Buyer's exclusive remedy for breach of all warranties pertaining to the goods shall be limited to the repair or replacement of defective goods or the defective portion thereof F.C.A. NORTHTECH INNOVATIONS's factory. Labor and travel expenses incurred in responding to a warranty claim will be paid by Buyer in accordance with NORTHTECH INNOVATIONS's then current rates. NORTHTECH INNOVATIONS shall not be responsible for damages or defects caused by carelessness of the operator, misuse, abuse, or abnormal use, which in any way impairs the proper function of the goods sold. The remedy provided herein shall constitute Buyer's sole recourse against NORTHTECH INNOVATIONS, whether the claim is made in tort, contract, warranty, or otherwise. The amount of the purchase price of the goods sold is determined in part by the fact that Buyer has agreed to so limit the liability of NORTHTECH INNOVATIONS
- 13.0 **PATENTS:** NORTHTECH INNOVATIONS warrants that the equipment delivered hereunder will not infringe any United States Patent covering the equipment itself, but does not warrant against infringement by reason of the use of the equipment in combination with other equipment or in the operation of any process. In the event the equipment or any part thereof furnished hereunder is held to infringe a valid patent and its use enjoined, NORTHTECH INNOVATIONS shall, at its option and own expense, either: procure for the Buyer the right to continue using said equipment or part thereof; replace it with non-infringing equipment; modify said equipment so it becomes non-infringing; or, accept its return and refund the full purchase price. The foregoing states the entire liability of NORTHTECH INNOVATIONS with respect to patent infringement by said equipment or any part thereof. **NORTHTECH INNOVATIONS SHALL NOT BE HELD RESPONSIBLE OR LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES WITH RESPECT TO PATENT INFRINGEMENT BY SAID EQUIPMENT OR ANY PART THEREOF.**
- 14.0 **INDEMNIFICATION:** Except to the extent liability or loss arises out of the negligence or willful misconduct of NORTHTECH INNOVATIONS, Buyer assumes full and entire responsibility and liability for losses, expenses, damages, demands, and claims based on any injury or alleged injury to persons (including death) or damage or alleged damage to property sustained, or alleged to have been sustained, in connection with the performance of the goods sold or services rendered, including losses, expenses or damages sustained by NORTHTECH INNOVATIONS, with respect to the goods sold or services rendered, and agrees to indemnify and hold harmless NORTHTECH INNOVATIONS, its agents, servants, and employees from any and all such losses, expenses, damages, demands, and claims, and agrees to defend any suit or action brought against them, or any of them, based on any such alleged injury or damage, and to pay all damages, costs and expenses, including attorney's fees, in connection therewith or resulting therefrom. NORTHTECH INNOVATIONS shall have the option to assume its own defense, in which case Buyer shall reimburse NORTHTECH INNOVATIONS for the reasonable cost of such defense.
- 15.0 **TAXES:** Any tax, Federal, State or Municipal, levied on the sale of the above described goods or on the use or possession thereof after shipment by NORTHTECH INNOVATIONS, shall be borne and paid by Buyer; and if any such tax shall be due and payable and if NORTHTECH INNOVATIONS shall be chargeable by law for collection of same, Buyer will pay same to NORTHTECH INNOVATIONS on demand whether or not these Terms and Conditions shall have been fully performed.
- 16.0 **CANCELLATION:** Buyer may not cancel any order except upon written notice to NORTHTECH INNOVATIONS and upon payment of a sum to compensate NORTHTECH INNOVATIONS for expenses incurred in the engineering and/or manufacture of said order to the date of cancellation and for NORTHTECH INNOVATIONS's reasonably anticipated profit in connection with such order.
- 17.0 **INVALID PROVISIONS:** The invalidity or unenforceability of any particular provision of these Terms and Conditions shall not affect the other provisions hereof, and these Terms and Conditions shall be construed in all respects as if such invalid or unenforceable provision were omitted.



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18.0 **APPLICABLE LAW AND FORUM:** These Terms and Conditions and any accompanying quotation shall be interpreted and enforced in accordance with the laws of the State of Michigan, without reference to any choice of law provisions. Michigan shall be the forum state for all disputes herein. Provided, however, neither the Convention on Contracts for the International Sale Of Goods nor the Convention on the Limitation Period in the International Sale of Goods shall apply to this transaction.

19.0 **ARBITRATION:** In the event Buyer is a citizen of a country other than the United States, any disputes arising in connection with this Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules. In the event Buyer is a citizen of an Asian country, the place of arbitration shall be San Francisco, California, U.S.A. In the event Buyer is a citizen of any other country outside the United States, the place of arbitration shall be New York, New York, U.S.A. English shall be the language of the arbitration. The arbitrator(s) shall interpret and enforce these Terms and Conditions in accordance with the laws of the State of Michigan, without any reference to any choice of law provisions. Provided, however, neither the Convention on Contracts for the International Sale Of Goods nor the Convention on the Limitation Period in the International Sale of Goods shall apply to this transaction. The decision of the arbitrator(s) shall be final and binding on both parties, and neither party shall have a right to appeal or to judicial review. Judgment upon the award rendered in the arbitration may be entered in any court having jurisdiction thereof. Provided, however, nothing contained in this Section shall prohibit or prevent NORTHTECH INNOVATIONS from seeking relief pursuant to Section 20.0, below.

20.0 **INJUNCTIVE RELIEF:** Notwithstanding anything stated herein to the contrary, NORTHTECH INNOVATIONS shall have the right to obtain such equitable and injunctive relief (including, but not limited to, temporary, preliminary and permanent injunctions) from any court of competent jurisdiction as may be necessary to enjoin any breach or violation of the terms and conditions set forth herein or to protect the rights and interests of NORTHTECH INNOVATIONS in and to the goods.

TOLERANCE APPLICATION GUIDELINE

- 1. ALL DOWEL LOCATIONS TO BE $+\text{-}.001$**
- 2. ALL BOLT HOLE LOCATIONS TO BE $+\text{-}.005$**
- 3. ALL MILLED SURFACES $+\text{-}.005$**
- 4. ALL MARKED GROUND SURFACES $+\text{-}.001$**
- 5. ALL MARKED NON-FUNCTIONAL SURFACES CAN BE SAW CUT**
- 6. STANDARD TOLERANCE ON ROUND STOCK $+\text{-}.005$**
- 7. All other dimensions as follows.**

Standard

Angle- $+\text{-} 2^\circ$
.x- $+\text{-} .03125$
.xx- $+\text{-} .010"$
.xxx- $+\text{-} .005"$
.xxxx - $+\text{-} .0005"$

Metric

Angle- $+\text{-} 2^\circ$
0- $+\text{-} 2.5$
1- $+\text{-} 1.5$
2- $+\text{-} .5$
3- $+\text{-} .125$