



Terms and Conditions of Quotation/Agreement/Sale

1. Applicability. Terms and Conditions of the Quotation/Agreement/Sale are the only terms, which govern the sale of the product ("Product") by Exacto Spring Corp ("Exacto") to the buyer ("Buyer") named on the quotation/agreement/sale ("Quotation/Agreement/Sale"). These Terms and Conditions comprise the entire agreement between the parties and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. Buyer's general or standard terms and conditions of purchase are rejected regardless whether or when Buyer has submitted its purchase order or such terms unless expressly agreed to in writing by the Exacto prior to sale of the Goods. Fulfillment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms.

2. Shipping and Delivery. Exacto shall not be liable for any delays, loss, or damage products in transit, unless otherwise set forth in the quotation/agreement/sale.

3. Inspection and Rejection of Nonconforming Product. Buyer shall inspect the Product within five business days of receipt ("Inspection Period"). Buyer will be deemed to have accepted the Product unless it notifies Exacto in writing of any Nonconforming Goods during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Exacto. "Nonconforming Product" means only the following: (i) product shipped is different than identified in Buyer's purchase order; or (ii) product's label or packaging incorrectly identifies its contents. If Buyer timely notifies Exacto of any Nonconforming Product, Exacto shall, in its sole discretion, (i) replace such Nonconforming Product with conforming Product, or (ii) credit or refund the Price for such Nonconforming Product, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at Exacto expense and risk of loss, the Nonconforming Product to Exacto.

If Exacto exercises its option to replace Nonconforming Product, Exacto shall, after receiving Buyer's shipment of Nonconforming Product ship to Buyer, at Buyer's expense and risk of loss, the replaced Product to the Delivery Point. Buyer acknowledges and agrees that the remedies set forth in this Section 3 are Buyer's exclusive remedies for the delivery of Nonconforming Product. Except as provided under this Section 3, all sales of Product to Buyer are made on a one-way basis and Buyer has no right to return Product purchased under this Agreement to Exacto.

4. Price. Buyer shall purchase the Product from Exacto at the price or prices (the "Prices") set forth in the

Quotation/Agreement/Sale. The Prices are based on existing labor, material, and outside service costs and are subject to be revised by Exacto, as indicated on the quotation/agreement/sale. Prices are subject to review every 6 months or as needed. Exacto does not hold pricing for service usage or severe decline in usage and prices are subject to be updated, based on actual usage. All Prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any governmental authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs and taxes; provided, that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Exacto income, revenues, gross receipts, personnel or real or personal property or other assets.

5. Payment Terms. Buyer shall pay all invoiced amounts due to Exacto within 30 days from the date of Exacto's invoice. Buyer shall make all payments hereunder by wire transfer or check and in US dollars. Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Exacto for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under these terms and conditions or at law (which Exacto does not waive by the exercise of any rights hereunder), Exacto shall be entitled to suspend the delivery of any Product if Buyer fails to pay any amounts when due hereunder and such failure continues for 10 days following written notice thereof. Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Exacto, whether relating to Exacto breach, bankruptcy or otherwise.

6. Limited Warranty. (a) Exacto warrants to Buyer for a period of one year from the date of shipment of the Product ("Warranty Period"), that such Product will (i) be free from defects in material and workmanship, (ii) if the Product were designed by or manufactured to specifications of Buyer, conform to the specifications provided by Buyer, (iii) if the Product were designed by Exacto, conform to Exacto's published specifications in effect as of the date of shipment and (iv) if the Products were designed by Exacto, be free from defects in design. The foregoing warranties do not apply where Products:

(A) have been subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions or use contrary to any specifications or to any instructions issued by Exacto or (B) have been reconstructed, repaired, altered or modified by persons other than Exacto. Exacto EXPRESSLY DISCLAIMS ANY

AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(b) Exacto shall not be liable for a breach of the warranty set forth in Section 6(a) unless: (i) Buyer gives written notice of the defect, reasonably described, to Exacto within 10 days of the time when Buyer discovers or ought to have discovered the defect; (ii) Exacto is given a reasonable opportunity after receiving the notice to examine such Product, and Buyer (if requested to do so by Exacto) returns such Product to Exacto at Exacto cost for the examination to take place there; and (iii) Exacto reasonably verifies Buyer's claim that the Product are defective.

(c) With respect to any Product failing to comply with the limited warranty set forth in Section 6(a), Exacto shall, in its sole discretion, either: (i) repair or replace such Product (or the defective part) or (ii) credit or refund the price of such Product at the pro rata contract rate; provided that, if Exacto so requests, Buyer shall, at Exacto's expense, return such Products to Exacto. THE REMEDIES SET FORTH IN THIS SECTION 6(C) SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND EXACTO'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 6(A).

7. Limitation of Liability. IN NO EVENT SHALL EXACTO BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT EXACTO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO EXACTO FOR THE PRODUCTS SOLD HEREUNDER (THE "CAP"). The Cap shall not apply to (a) liability resulting from Exacto's willful misconduct or (b) death or bodily injury resulting from Exacto's negligent acts or omissions.

8. Compliance with Law. Buyer shall comply with all applicable laws, regulations and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this quotation/agreement/sale. Buyer shall comply with all export and import laws of all countries involved in the sale of the Product under this

Agreement or any resale of the Product by Buyer. Buyer assumes all responsibility for shipments of Products requiring any government import clearance. Exacto may terminate this Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on Products.

9. Termination. In addition to any remedies that may be provided under these terms and conditions, Exacto may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under this quotation/agreement/sale; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

10. Waiver. No waiver by Exacto of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Exacto. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this quotation/agreement/sale operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

11. Confidential Information. All non-public, confidential or proprietary information of Exacto, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this quotation/agreement/sale is confidential, solely for the use of performing this quotation/agreement/sale and may not be disclosed or copied unless authorized in advance by Exacto in writing. Upon Exacto's request, Buyer shall promptly return all documents and other materials received from Exacto. Exacto shall be entitled to injunctive relief for any violation of this Section 11. This Section 11 does not apply to information that is: (a) in the public domain other than by Buyer; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

12. Force Majeure. Exacto shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this quotation/agreement/sale for any failure or delay in fulfilling or performing any term of this quotation/agreement/sale when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Exacto including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, pandemic/epidemic, lockouts, strikes or other labor disputes (whether or not

relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

conditions, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of this order.

13. Indemnification by Buyer. If the Products were designed by or manufactured to specifications of Buyer, Buyer shall indemnify Exacto from, and defend and hold Exacto harmless from and against, any claims, proceedings, damages, costs, expenses and liabilities suffered, incurred or sustained by Exacto or to which Exacto becomes subject, resulting from, arising out of or relating to any claim: (a) that the Products infringe upon the proprietary or other rights of any third party or (b) of loss or damage resulting from the Products or the use thereof. This indemnity, defense and hold harmless agreement applies even if the loss or damage complained of in the action was allegedly caused in part by the strict liability or negligence in any form of Exacto but not if the loss or damage is alleged to have been caused in whole by the strict liability or negligence of Exacto and solely relates to a manufacturing defect.

14. Governing Law; Jurisdiction. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of the State of Wisconsin set forth on the face of the quotation/agreement/sale without giving effect to any choice or conflict of law provision or rule (whether of such State or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of such State. The parties exclude application of the United Nations Convention on Contracts for the International Sale of Products. The parties hereby agree that the exclusive jurisdiction and venue for any action arising out of, involving or in any way related to this Agreement shall be the federal or state Courts located in a Court located in the city of/near Exacto as set forth on the face of the quotation/agreement/sale or if there are no such courts in such City, the County of Exacto, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

15. Miscellaneous. Buyer shall not assign any of its rights or delegate any of its obligations under this quotation/agreement/sale without the prior written consent of Exacto. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this quotation/agreement/sale. This quotation/agreement/sale is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms. If any term or provision of this quotation/agreement/sale is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this quotation/agreement/sale or invalidate or render unenforceable such term or provision in any other jurisdiction. Provisions of these terms and