



# PRESS

## Press Forge Co. (“Seller”) TERMS AND CONDITIONS OF SALE

- 1. ACCEPTANCE.** Any purchase order received by Seller in either hard copy or electronic form shall be construed as a written acceptance of its offer to sell and shall be filled in accordance with the terms and conditions of sale set forth herein. The terms and conditions of this agreement shall prevail notwithstanding any variance with the terms and conditions of any purchase order submitted by Customer. Any communication, agreement, amendment, change or stop work order, extension or acceleration, cancellation or termination notice, course of performance or course of dealing which purports to supplement, modify, rescind or waive any of Seller’s rights or obligations, shall be void unless executed or ratified in a writing signed by an authorized Seller representative, in order that Seller shall be bound only by such writings and not by construction, implication or apparent authority. The failure of Seller to insist on performance of any provision of this agreement shall not be construed as a waiver of either that provision or any other provision in any later instance.
- 2. PRICES.** All quotations are made for prompt acceptance and any terms, prices, or lead-times quoted therein are subject to change without notice unless specifically stated otherwise on the quotation. All prices are invoiced on a firm price basis unless specifically stated otherwise on the quotation. Seller will not disseminate any cost breakdown information or pricing data which is used to determine its prices. Prices are subject to increases for changes requested by Customer.
- 3. TAXES.** All quoted prices are subject to the addition of any applicable sales, excise, manufacturer’s use or other taxes that may be levied by either municipal, state or federal authorities.
- 4. TERMS OF PAYMENT.** Subject to credit approval, terms of payment for all goods and services shall be net thirty (30) days from date of shipment. Tooling charges will be invoiced upon completion of tools and fixtures and shall be payable thirty (30) days from the date of invoice. All payments will be in funds of the United States. If Customer fails to pay any charges when due, Customer agrees that Seller shall have the right to invoice, and Customer will pay, all costs, including reasonable attorneys’ fees expended in collecting overdue charges.
- 5. TERMS OF DELIVERY.** Transportation charges from the point of manufacture shall be paid by Customer. Customs duties, consular fees, insurance charges and other applicable charges shall be borne by Customer. Risk of Loss and title for goods sold shall pass to Customer FCA shipping point. Shipping point may be Paramount, CA or other Seller approved subcontractor.
- 6. PROPRIETARY INFORMATION BELONGING TO A THIRD PARTY.** Any quotation provided by Seller is subject to Customer having a legal right to use drawings, specifications and other proprietary information required for the manufacture of the part. Customer agrees to indemnify Seller and its directors, officers, shareholders, agents and employees against any and all costs (including attorneys’ fees) and liability arising from or in any way related to Customer’s unauthorized use of the intellectual property of a third party.
- 7. DRAWINGS, MACHINE FINISH.** Parts designed by Seller against a machine finish drawing will include sufficient material to allow for machining. Seller will not perform machining, testing or heat treatment unless agreed in writing.
- 8. TOOLING.** Tooling charges represent costs of dies, fixtures and development required in the initial production of parts. Once tooling has been established, any change will be at Customer’s expense. Payment of tooling charges conveys to Customer only the right of exclusive use of the tools and not title to the tools. Payment does not convey to Customer the right to possess the tools or to remove the tools from Seller’s plant. Seller agrees to maintain the tools and keep them available for three years after the date of shipment of the last order requiring their use. Thereafter, tools will be discarded and an additional tooling charge will be required for future orders.
- 9. DIMENSIONAL TOLERANCES.** Dimensional tolerances, if required by Customer in his request for quote, are those specified as listed in writing on the face of the quotation. If no tolerances appear on the quotation, then normal industry tolerances apply. Parts will be furnished with an as-processed surface and without machine work, except for grinding or machining unless specified otherwise on Seller’s quotation.
- 10. DELIVERY PROMISES.** Promises of delivery are given as accurately as conditions permit and every effort will be made to make deliveries as scheduled. All shipping dates are based on receipt of a firm order with complete information contained therein and, in the case of conversion orders, receipt of acceptable starting stock. In addition, the shipping dates are based on standard quality control checks as a part of the normal production sequence. Additional inspection or testing required by Customer which affects normal production sequence will extend the shipping dates accordingly. Seller assumes no liability for damages arising out of failure to deliver materials as promised. Partial line item shipments are permissible and will not relieve Customer of payment term obligations.



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11. **PACKING AND SHIPPING.** Seller will not perform storage or cartage service. Parts will be packed at Seller's discretion in a way adequate to protect the parts while en route. Additional special handling, storage, preparation for storage or cartage costs will be billed to Customer as an additional charge. Unless requested in writing by Customer, no shipments are insured by Seller against damage or loss in transit. Seller will place insurance as nearly as possible in accordance with Customer's instructions, but will not be construed to be an agent of the insurance company and assumes no liability whatsoever. Seller is not liable for damages incurred by Customer as a result of a delay in shipment.
12. **FORCE MAJEURE.** Seller shall not be liable for failure or delay in delivery due to acts of God, orders bearing priority rating established pursuant to law, differences with workmen, local labor shortages, fire, flood or other casualty, governmental regulations or requirements, shortages or failure of raw materials, supplies, fuel, power or transportation, breakdown of equipment, or any other cause beyond Seller's reasonable control whether of similar or dissimilar nature than those enumerated. Seller shall have such additional time within which to perform as may be reasonably necessary under the circumstances and shall have the right to apportion its production among its customers in such a manner as it may consider to be equitable.
13. **MODIFICATIONS.** Order modifications which defer or stop deliveries are subject to Seller written approval. Prices are subject to renegotiation at Seller's option when manufacturing schedules are modified, or where parts must be manufactured in smaller and/or less economical lot sizes. Seller reserves the right to pass raw material cost increases through to Customer if longer than anticipated delivery periods expose Seller to significant unanticipated increases in raw material costs. Work in process that is deferred or stopped is subject to a handling charge. Customer will accept shipment and pay for work in process that is within ninety (90) days of completion at time of modification request. Work deferred or stopped in excess of ninety (90) days from the scheduled date of completion may be considered canceled at Seller's option, and Customer shall be liable to Seller as provided in Paragraph 14.
14. **CANCELLATION.** When a United States Government contract number appears on the face of the order, Customer may cancel the order in whole or in part, upon written notice to Seller, in accordance with the provisions of the Federal Acquisition Regulations 52.249-2, "Contractor" shall mean Seller. "Contracting Officer" and "Government" shall mean Customer, and paragraphs (c) and (i) are deleted.
15. **PATENT INFRINGEMENT.** If promptly notified in writing of any action (and all prior claims relating to such action), Seller will defend Customer against all claims and proceedings alleging infringement of any United States patent as it applies to Seller's manufacturing equipment and processes for parts supplied under this agreement. Seller shall defend such action at its expense and pay the costs and damages awarded in any such action, provided that Seller shall have sole control of the defense of any such action and all negotiations for its settlement or compromise. Seller will not have any liability to Customer under any provision of this clause for any claim for patent infringement where the manufacturing equipment or process which is the subject of the claim consists of or is practiced using a combination of equipment or processes not supplied by Seller.

No liability will be assumed by Seller for the infringement of any United States patent asserted because of the nature, structure or use of any parts produced by Seller pursuant hereto, and Customer shall indemnify and hold Seller harmless from all claims for loss or damage, and from all court costs, attorneys' fees and other expenses paid or incurred by or imposed upon Seller in performance of, or related to, any Customer order. Upon request by Seller, Customer will undertake at its own cost and expense to defend any such action which may be brought against Seller.

The formation of any agreement between Seller and Customer, or the performance of any work by Seller for Customer shall not operate to grant any license, patent or right of any kind in any process, technique or invention which Seller may discover, develop or use in the performance of the work or agreement.
16. **LIMITED WARRANTY.** Seller warrants that parts will be made in a workmanlike manner and in accordance with the quality standards defined in this agreement. Customer will notify Seller in writing of any parts which were not made in accordance with this warranty within thirty (30) days after their delivery, and if Customer should fail to give such notification, claims for breach of warranty, if any, shall be waived. Except in the case of conversion work, Seller will, at its own expense and option, either repair or replace the parts which Seller determines not to be in conformance with this warranty, provided that Customer has notified Seller in writing of any such defect within the stated thirty (30) day period.

**SELLER'S OBLIGATION HEREUNDER IS EXPRESSLY LIMITED TO REPAIR OR REPLACEMENT OF DEFECTIVE PARTS WITHOUT COST TO CUSTOMER, OR AT SELLER'S OPTION, THE REPAYMENT OF THE PURCHASE PRICE UPON RETURN OF THE PARTS, AND SHALL NOT INCLUDE CLAIMS FOR DEFECTS ARISING FROM NEGLIGENCE, RECOVERY UNDER TORT OR STRICT LIABILITY LAW, CLAIMS BASED ON DEFECTIVE TRADE PRACTICES, EXPENSES OF CUSTOMER RESULTING FROM DEFECTS, LOSS OF USE, OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGE OF ANY KIND.**



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Customer's sole and exclusive remedy will be limited to such repair, replacement or return. Customer agrees to indemnify Seller from all liability arising from Customer's faulty or improper design of the part. THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Parts may be returned at the expense of Seller only after inspection by a Seller representative and upon receipt by Customer of definite shipping instructions and an authorization identification number. Such returns shall be deducted from the total quantity shipped and replacements will be shipped against the original order.

17. **AUDIT.** Audits by the Comptroller General under Federal Acquisition Regulation 52.215-2 and audits of Government Contracts by an employee of the Federal Government pursuant to regulations by the Defense Contract Audit Agency will be allowed. No other audit rights are granted to examine any books, documents, papers or other records of Seller.
18. **DEFAULT.** If Seller defaults on its obligations under this agreement, and the default is not remedied within a reasonable time after written notice from Customer, then Customer's exclusive recourse shall be cancellation of the order.
19. **HEADINGS.** Section headings are for convenience of reference only and shall not be construed otherwise. If any part of this agreement shall be adjudged by any court of competent jurisdiction to be invalid, such judgment will not affect or nullify the remainder of this agreement, but the effect thereof will be confined to the part immediately involved in the controversy adjudged.
20. **INDEMNIFICATION.** Customer shall indemnify Seller and its directors, officers, shareholders, agents and employees against any and all costs (including attorneys' fees) and liability asserted by those to whom Customer has furnished parts supplied hereunder, whether or not such parts are incorporated into any product.
21. **GOVERNING LAW.** The interpretation of the terms and obligations hereunder will be construed and governed by the laws enacted in the state of California, USA, excluding its choice of law rules and excluding the U.N. Convention on Contracts for the International Sale of Goods.
22. **LIMITATION OF DAMAGES. CUSTOMER AGREES THAT SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR FOR THE LOSS OF PROFIT OR REVENUE, AND ACKNOWLEDGES THAT THE PRICES CHARGED CUSTOMER HEREIN CONTEMPLATE THE FOREGOING ALLOCATION OF RISK. IN NO EVENT SHALL SELLER'S LIABILITY TO CUSTOMER FOR DAMAGES OF ANY NATURE EXCEED THE TOTAL CHARGES PAID OR PAYABLE DURING ONE (1) YEAR UNDER THIS AGREEMENT.**
23. **ENTIRE AGREEMENT.** CUSTOMER ACKNOWLEDGES HAVING READ THIS AGREEMENT AND AGREES TO BE BOUND TO ITS TERMS. THIS AGREEMENT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE MUTUAL UNDERSTANDING OF THE PARTIES AND SUPERSEDES AND CANCELS ALL PREVIOUS AND CONTEMPORANEOUS WRITTEN AND ORAL AGREEMENTS AND COMMUNICATIONS RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.
24. **AAP/EEO.** The Parties shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as a protected veteran or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status. The Parties will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant.
25. **U.S. EXPORT CONTROL** -U.S. Export Control laws may apply to the products and technologies covered by this Order. Export or re-export of these products or technologies may require the prior approval of the U.S. government in accordance with the Export Administration Regulations, and OFAC rules, and the Customer agrees to notify Seller of any such intended export or re-export. Diversion contrary to U.S. law is prohibited.



# **PRESS**

## **FLOWDOWN OF QUALITY REQUIREMENTS**

**VENDOR MARK ALL PARTS WITH P.F.C. S/O HEAT AND SERIAL**

**NOTICE - By acceptance of this purchase order, supplier agrees to and represents to purchaser that he is in complete compliance with all of the rules and requirements of Executive Order No. 11246 and 11615 pertaining to equal opportunity in employment and wage and price controls; and that he further complies and will comply with all other requirements of state and federal laws of any nature whatsoever pertaining to the goods and services contracted for by acceptance of this order. Right of entry requirements apply for Press Forge and our Customers. Suppliers shall immediately notify Press Forge in the event of a non-conformance, change in product, change of manufacturing facility location and/or process definition and obtain Press Forge approval. Process records shall be retained for a period of thirty years.**

**No weld repair may be performed on these parts, they must be produced in a mercury free environment and free from contact with radioactive materials.**