

TERMS AND CONDITIONS

ALL SALES BETWEEN HAWLEY SERVICES INC., AND BUYER ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. Parties. “Seller” means Hawley Services Inc., also known as I Hawley Inc., a Michigan corporation. “Buyer” means the entity or person receiving the invoice from Seller or submitting the purchase order to Seller.

2. Application. These Terms and Conditions define the relationship of Buyer and Seller and apply to all sales of items, materials, supplies, goods and services (“Products”) by Seller to Buyer. Buyer acknowledges and agrees that these Terms and Conditions are incorporated in, and are a part of, each quotation, purchase order, invoice, release, requisition, work order, shipping instruction, specification, and any other document, whether expressed verbally, in written form or electronic commerce, relating to the sale of Products by Seller to Buyer (these documents are collectively referred to as the “Agreement”).

3. Acceptance. Any additional, different or inconsistent terms or conditions contained in any form of purchase order, acceptance, or confirmation used by Buyer are unacceptable to Seller, are expressly rejected by Seller, and will not become a part of the terms of any sale pursuant to this Agreement. Any form of expression of acceptance from Buyer will constitute acceptance exclusively on the Terms and Conditions stated herein, and Buyer should reject this Agreement in its entirety unless all of such Terms and Conditions are acceptable.

4. Quotation Expiration. Written quotations are valid for a period of **30 days** unless otherwise noted by Seller. Seller will have the right to withdraw any quote that has not been accepted by Buyer within the 30-day time period.

5. Pricing. Prices for Products and other related information shown in any Seller or manufacturer product publication, including but not limited to catalogs, brochures, and websites, are subject to change without notice. Prices do not include related freight charges, use tax, sales tax, excise tax, value-added tax, or similar taxes, or charges of any nature whatsoever imposed by any governmental authority unless otherwise expressly noted by Seller.

6. Taxes. Prices quoted do not include, and Buyer will pay, all taxes and fees of any kind that may be levied or imposed on either party by federal, state, municipal, or other governmental authorities in connection with the sale or delivery of the Products by Seller with the exception of Seller’s income tax obligations arising out of the sale of the Products.

7. Terms of Payment. Unless otherwise specifically agreed in writing by Seller, the total price is due and payable to Seller, without setoff or other deductions or charges, **net 30 days** of Seller's invoice. Any amounts due by Buyer to Seller that are unpaid on or after **30 days** of Seller's invoice will bear interest at the rate of **1.5%** per month.

If the purchase price is more than \$20,000.00, Seller reserves the right to require the Buyer to pay a nonrefundable deposit of 50% of the purchase price at the time of order.

If Buyer fails to make any payment as required, Buyer will pay all court costs, attorney fees, and other costs incurred by Seller in collecting past-due amounts, including interest. In addition, if Buyer fails to make payment when due, then Seller may cancel or suspend any further sales of Products to Buyer, at Seller's discretion, without liability to Buyer, and without prejudice to any other right or remedy Seller may have.

If shipment or delivery of Products is delayed by or at the request of Buyer, payment will remain due in full **30 days** from the date of Seller's invoice. In such event, Seller may impose, and Buyer will pay, storage charges and other incidental expenses incurred by Seller as a result of the delay in addition to any interest on late payments as described above.

8. Cancellation. All sales are final and Buyer may not cancel unless Seller specifically agrees in writing. If Seller agrees to the cancellation it will be conditioned upon Buyer assuming immediately liability and paying for all work completed and in process, plus the cost of raw materials purchased to fulfill an order not yet in process (net of scrap value), unamortized tooling, unamortized equipment charges, engineering, handling, overhead and similar production costs. Such charges will be determined by Seller.

9. Security Interest. As security for payment of all amounts due to Seller, Buyer grants to Seller a security interest in all Products sold by Seller to Buyer, and Seller will have all rights of a secured party under the Uniform Commercial Code with respect to the Products. Buyer appoints Seller as its attorney-in-fact with authority, at Seller's option, to take actions as Seller deems reasonable in the circumstance to perfect the above security interest in any one or more jurisdictions, and Buyer will pay all applicable filing fees.

10. Disclaimer of Warranties. SELLER MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO OR IN ANY WAY RELATING TO THE PRODUCTS, WHETHER BASED ON BREACH OF WARRANTY OR CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. Remedy. Buyer's sole and exclusive remedy against Seller will be limited to the repair and replacement of defective Products, provided that Seller is promptly noticed in writing of such defect, pursuant to Section 15, below.

12. Limitations on Actions and Liabilities. No action bringing claims arising out of any purchase and sale of Products pursuant to this Agreement may be commenced more than **1 year** from the date of delivery of the Products to Buyer.

IN NO EVENT WILL SELLER BE LIABLE OR RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION, LOST REVENUE AND PROFITS, AND BUYER AGREES TO HOLD SELLER HARMLESS FROM ALL LIABILITY, EXPENSES, AND DAMAGES ARISING OUT OF CLAIMS MADE BY BUYER OR BUYER'S CUSTOMERS OR END USERS FOR SUCH DAMAGES.

13. Delivery. Unless otherwise stated in this Agreement, delivery will be F.O.B. Seller's facility. Title and risk of loss will pass to Buyer upon delivery to a common carrier or other acceptable means of transport..

14. Force Majeure. In any event, Seller will have no liability to Buyer or any other person for delays in performance due to strikes or labor disputes of any type; accidents, fire, floods, acts of God, or actions by governmental authorities; acts, omissions, or delays of Buyer or any other third party; shortages of labor; or without limitation of the above, for any causes reasonably beyond the control of Seller.

15. Inspection and Acceptance of Products. Buyer will have **10 days** from the date of delivery to inspect the Products for defects and nonconformance and to notify Seller, in writing, of any defects, nonconformance, or rejection of the Products (other than defects or nonconformities due to damage, shortage, or errors in shipping that will be reported as set forth below). Claims for shipping damage, errors, or shortages must be made in writing to Seller no more than **10 days** after receipt of shipment. After this period, Buyer will be deemed to have irrevocably accepted the Products, if not previously accepted. After acceptance, Buyer will have no right to reject the Products for any reason or revoke acceptance. Claims for damage due to shipping, if applicable, must be made by Buyer to the freight carrier.

16. Return of Products. Products may not be returned without prior written authorization from Seller. If Seller determines that it is Seller's responsibility, Seller will replace the Products promptly. If Seller authorizes a return, Seller reserves the right to charge reasonable handling charges for returned Products.

17. Termination. In the event of termination of the Agreement by Buyer, or in the event of default under the Agreement by Buyer that is not cured within **30 days** after notice by Seller, Buyer will pay to Seller on demand all direct and indirect costs (including, without limitation, all applicable restocking or cancellation charges) incurred directly or indirectly by Seller in connection with the Agreement, all as reasonably determined by Seller. In no event, however, will any amount payable by Buyer under the Agreement exceed the total price payable by Buyer for the Products.

18. Entire Agreement. Neither party has rights, warranties, or conditions expressed or implied, statutory or otherwise, other than those contained in the Agreement. The Agreement contains the entire agreement between Seller and Buyer and can be modified or rescinded only by a writing signed by both parties. Any document submitted by Buyer to Seller confirming its intention to purchase Products described in the Agreement will be deemed to constitute a confirmation and acceptance of the Agreement, even if the document states terms in addition to or different from those in the Agreement.

All agreements between Seller and Buyer will be solely under the terms and conditions of the Agreement and these Terms and Conditions, and Seller objects to any and all additional or different terms contained in any document submitted to Seller by Buyer. Any execution by Seller of any other document submitted by Buyer in connection with the purchase of Products does not constitute acceptance of or agreement to any terms and conditions in addition to or different from those contained in the Agreement and these Terms and Conditions, but will constitute only acknowledgment of receipt of the document.

In addition, notwithstanding any terms contained in any documents submitted by Buyer in connection with the purchase of Products described under the Agreement, the acceptance of delivery by Buyer of Products described in the Agreement will constitute a course of conduct constituting Buyer's agreement to the terms and conditions of the Agreement and these Terms and Conditions, to the exclusion of any additional or different terms and conditions.

19. Waiver. No waiver of any provision of the Agreement will be binding unless in writing signed by an authorized representative of the party against whom the waiver is asserted, and unless expressly made generally applicable, will apply only to the specific case for which the waiver is given. Failure of either party to insist on strict performance of the Agreement will not be construed as a waiver of any term or condition of the Agreement.

20. Compliance with Laws. Buyer will be responsible for compliance with any and all federal, state, or local laws or regulations respecting safety or respecting use of the Products and will indemnify and hold Seller harmless from and against any and all claims of violations of laws or regulations or other claims of personal injury or property damage directly or indirectly related to the installation, maintenance, or operation of the Products.

21. Governing Law. The Agreement will be governed by and construed in accordance with the laws of the State of Michigan. Any legal action or dispute with respect to the transactions contemplated by this Agreement or the subject matter of this Agreement will be subject to the exclusive personal jurisdiction of the state courts located in Ottawa County, Michigan, and if federal jurisdiction is appropriate, to the federal courts located in the Western District of Michigan, and Seller and buyer consent to such jurisdiction.