

TERMS AND CONDITIONS OF QUOTATION AND ORDER ACCEPTANCE:

CONSTRUCTION AND LEGAL EFFECT:

- 1) This Quotation is not a contract. It is a good faith estimate of the Buyer's cost to purchase the item(s) quoted from Hart Enterprises based on the information known by and available to Hart Enterprises at the date of Quotation. No contract shall result until acceptance of this offer, in the form of an appropriate purchase order, is received at, and acceptance is acknowledged by, Hart Enterprises at Sparta, Michigan.
- 2) Any acceptance of this Quotation must be limited to these Hart Enterprises terms and conditions. Inconsistent terms and conditions in Buyer's purchase order shall not be binding on Hart Enterprises and, therefore any exceptions or modifications desired by the buyer must be specifically called to Hart Enterprises' attention in writing. No waiver of modification of any of these terms and conditions shall be considered effective unless in writing and signed by an authorized representative of Hart Enterprises.
- 3) This Quotation conclusively supersedes all prior written and oral negotiations concerning the goods and services which it describes, and there are no outside conditions or agreements. Further, this Quotation is subject to subsequent correction by Hart Enterprises in case of clerical or stenographic error.
- 4) The rights and duties of the parties to any contract resulting from this offer and any business relationship that results from this offer shall be governed by the laws of the State of Michigan. Any claims arising under any agreement resulting from this quotation shall at the election of Hart Enterprises, be prosecuted in the appropriate Court in the State of Michigan. Venue for all legal action shall be in the County of Kent, the State of Michigan. By accepting this offer, Buyer agrees to the jurisdiction and judgment of the Courts of the State of Michigan, and agrees that a judgment of a Michigan Court shall be enforceable in the jurisdiction in which the Buyer is located.

ORDERS:

- 1) Hart Enterprises shall have the right to withdraw the offer made in this Quotation at any time prior to its acceptance of the Buyer's appropriate purchase order. Further, this offer shall only remain in force for thirty days, and should be considered invalid or withdrawn if any of the terms and conditions of this Quotation are unacceptable to Buyer.
- 2) Unless otherwise stated on the face of this Quotation, quoted shipping terms are F.O.B. Hart Enterprises dock, freight prepaid with insurance added. Shipping method will be as specified by Customer. If shipping method is not specified, Hart Enterprises will use the best available shipping method.
- 3) Buyer's purchase order shall incorporate by reference, or have attached thereto, the approved plans, drawings and specifications for the product(s) ordered.
- 4) If this Quotation does not expressly provide otherwise, any and all necessary components to be furnished by the Buyer must be furnished by the Buyer, F.O.B. our plant, in sufficient quantities to warrant continuous operation of our equipment and processes. The amount of components supplied shall exceed the quantity ordered by 30% unless expressly specified otherwise on the face of this Quotation.

DELIVERIES:

- 1) Deliveries are determined from the date Hart Enterprises received Buyer's acceptable written purchase order or upon receipt of any material or information Buyer is required to furnish Hart Enterprises whichever occurs later. While every effort will be made to deliver as indicated, the delivery and shipping date(s) expressed in this Quotation or otherwise, are merely approximations and are not binding upon Hart Enterprises.
- 2) Force Majeure: Hart Enterprises assumes no obligation whatsoever for disruption or delay of delivery resulting directly or indirectly from the occurrence of any contingency beyond its reasonable control whether caused by the forces of nature, people, or governments.
- 3) Hart Enterprises shall have the right, during shortages of raw materials or finished products, to pro-rate its supply of such products among all its customers in an equitable manner.
- 4) Hart Enterprises reserves the right to over-ship or under-ship ten percent of the specified amount of the order, the difference to be paid or allowed at the prevailing price.
- 5) Delivery to common carrier F.O.B. Hart Enterprises Sparta, Michigan plant shall constitute delivery and passage of title to Buyer. Risk of loss shall pass to Buyer concurrently with transfer of title.

ACCEPTANCE:

- 1) Products or samples delivered by Hart Enterprises shall be deemed accepted unless written notice of rejection is received within 30 days from the date of shipment by common carrier.

PRICES AND PAYMENT:

- 1) All quoted prices are based on current costs, availability of raw materials and labor. Hart Enterprises reserves the right to adjust the selling price to reflect any increase in these costs.
- 2) Hart Enterprises does not sell tooling. The piece price does not include payment for any tooling, fixtures, engineering, and/or manufacturing expertise whatsoever.
- 3) Engineering and Set-up charges are one-time costs necessary to produce manufacturing capability at Hart Enterprises necessary to produce the quoted product(s) as quoted. All tooling, machinery, know-how, or technology is the property of Hart Enterprises and will not be delivered to the customer. Hart Enterprises does not sell tooling, and nothing in this Quotation shall be interpreted otherwise.
- 4) Unless otherwise specified, all quoted product prices assure that the product will be:
 - a. Shipped at one time or as produced, requests for split deliveries exceeding 1 year being subject to re-quoting or repricing at lower quantity brackets.
 - b. Non-Sterile Bulk Packaged. Sterilization and laboratory fees are quoted separately.
 - c. Manufactured under FDA Good Manufacturing Practices, Quality System Regulations and to industry standard tolerances.
 - d. Exempt from labeling requirements under part 801 sub part D 801.122.
- 5) Full payment is due according to the terms on the face of this Quotation, but in no case later than 30 days from the date of shipment by Hart Enterprises. In the event of default of payment when due, Buyer shall pay all of Hart Enterprises costs of collection including carrying charges of 1.5% per month (18% per annum), court costs, and attorney's fees.
- 6) Unpaid balances for any invoice may result in cessation of shipment of any or all products. Such cessation shall not be a breach of any agreement arising out of this Quotation.

TAXES:

- 1) In addition to the contract price, Buyer shall pay or reimburse Hart Enterprises for any and all taxes, license, inspection fees, customs duties, and/or similar charges imposed upon any sale or delivery required by the governmental jurisdiction applicable to the Buyer and resulting from any contract arising from this Quotation.

DESIGN:

- 1) This Quotation is based upon plans, specifications, drawings, and samples which have been provided by Buyer to Hart Enterprises. These plans, specifications, drawings, and samples have been approved by both Buyer and Hart Enterprises. These plans, specifications, drawings and samples shall not be modified or altered except upon the express written consent of both parties. Buyer shall be responsible for any additional charges assessed by Hart Enterprises as a result of such modification or alteration.
- 2) The approved plans, specifications, drawings, and samples (signed and dated) are incorporated into this Quotation by reference.
- 3) Unless otherwise stated, product Design, performance of the product according to the Design, fitness for intended use, and FDA mandated Design Controls, are the sole responsibility of Buyer. Hart Enterprises is responsible for producing product in accordance with the approved plans, specifications, drawings, and samples (signed and dated), that are incorporated into this Quotation, according to FDA mandated Good Manufacturing Practices, using good workmanship.

WARRANTY:

- 1) Hart Enterprises warrants that product(s) produced pursuant to this Quotation were produced according to the approved plans, specifications, drawings, and samples (signed and dated) that are incorporated in this Quotation, according to FDA mandated Good Manufacturing Practices and Good Quality System Regulation, using good workmanship. This warranty shall remain in effect for 30 days from the date of shipment of products by Hart Enterprises.
- 2) Unless otherwise stated on the face of this Quotation, Hart Enterprises warrants that Engineering and Set-up paid for by customer pursuant to this Quotation will allow Hart Enterprises to produce the products and quantities quoted so long as Buyer continues to order, and Hart Enterprises continues to accept orders, for product in quantities quoted and according to the original approved plans, specifications, drawings, and samples (signed and dated) that are incorporated into this Quotation. Hart Enterprises shall not be under any obligation to accept modification changes to approved plans, specifications, drawings, and samples unless made upon the express written consent of both parties, such changes may require changes to or additional Engineering and Set-up. Buyer shall be responsible for any additional charges assessed as a result of such modifications or alterations.
- 3) Hart Enterprises sole liability under the warranty contained herein shall be the repair, rework, or replacement of products or parts or the extension of credit to Buyer for all nonconforming products returned by Buyer, freight prepaid. Hart Enterprises shall not assume liability or be responsible for any products or parts lost or damaged in transit. Hart Enterprises reserves the right to refuse any unauthorized returns.
- 4) THE ABOVE WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS, AND HART ENTERPRISES SHALL NOT UNDER ANY CIRCUMSTANCES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

INDEMNIFICATION:

- 1) Buyer shall indemnify, defend and hold Hart Enterprises harmless from any and all liability, loss, damages or expenses, including attorney fees, resulting from any alleged defect in the design or specification of goods manufactured by Hart Enterprises according to Buyer's plans, specifications, drawings, or samples.
- 2) Further upon Hart Enterprises' request, the Buyer shall deliver to Hart Enterprises one or more Certificates of Insurance evidencing (i) coverage against any product liability claims relating to the operation or use of goods, (ii) protection of Hart Enterprises thereunder as an additional insured, and (iii) providing that Hart Enterprises shall receive at least 15 days written notice prior to any change, expiration, or cancellation of such insurance.

CANCELLATION OR MODIFICATION:

- 1) Cancellation of an accepted order, or any waiver or modification of its terms or conditions will not be binding on Hart Enterprises unless made in writing by Buyer, and signed by Hart Enterprises authorized representative. Buyer agrees to be responsible for Cancellation Charges which may result from any modification or cancellation of any order.

MISCELLANEOUS:

- 1) These terms and conditions are binding upon and for the benefit of the parties, their successors and assigns.
- 2) Failure to enforce any provision of these terms and conditions shall not constitute a waiver of any term hereof.
- 3) Buyer is herein notified that Hart Enterprises considers these terms and conditions and any additional terms listed on the face of the Quotation to be included as an addition to any purchase order subsequently placed by the customer based upon this Quotation. This Quotation and all terms and conditions it contains are a part of any notice of acceptance of a purchase order issued to Hart resulting from this Quotation.
- 4) Where these terms and conditions conflict with any general terms and conditions listed on any purchase order resulting from this Quotation, Hart Enterprises hereby makes its acceptance of the purchase order conditional on Customer's acceptance of all terms and conditions in this Quotation and agreement that they supersede any conflicting conditions of the purchase order.