

**FEINGUSS BLANK USA INC.  
GENERAL TERMS and CONDITIONS OF SALE**

**Applicable to all Quotations, Purchase Orders, Invoices,  
Order Acknowledgments and Purchase Agreements,**

- I. **General.** These Terms and Conditions are applicable to the person, firm, company or other purchasing entity (hereinafter referred to as “Buyer”) and FEINGUSS BLANK USA INC., North Carolina corporation (hereinafter referred to as “Feinguss” or “Seller”) for items ordered by Buyer from Seller in whatever form or quantity (hereinafter referred to as “Goods”). Any other document(s) containing terms and/or conditions that are in addition to or inconsistent with the following Terms and Conditions listed herein, including but not limited to penalties or liquidated damages for Seller's failure to meet shipment dates or any other reason, shall not be binding upon Seller without the express written acceptance of liability by an authorized representative of Seller. Seller's failure to object to any additional, inconsistent, or other provisions contained in any other order or form of communication from Buyer shall not be construed as either a waiver or acceptance of such provisions. Seller reserves the right to correct any clerical or typographical errors at any time.
- II. **Acceptance.** These terms and any other written stipulations to which these terms are stated to apply (collectively, the “Agreement”), constitute the entire agreement between Feinguss and the Buyer. No modification(s), waiver(s), alteration(s), or additional term(s) shall be valid as against Seller unless said modification(s), waiver(s), alteration(s), or additional term(s) have been acknowledged in writing by Seller's duly authorized representative. Seller will use reasonable efforts to accept orders received from Buyer within five (5) days of receiving the order. Seller reserves the unrestricted right of ownership and copyright to Seller's cost estimates, drawings, and other documents created by Seller as part of the sale transaction. All intellectual property and copyrights shall remain with Feinguss and may not be transferred. These documents shall not be made accessible or provided to third parties. All drawings and other documents provided by Buyer to Seller shall be returned upon written request in the event that a final Order Confirmation is not issued by Seller.
- III. **Prices.** All prices are in US Dollars, unless otherwise provided for in the Quotation or Order Confirmation. Pricing does not include packaging. Packaging shall be invoiced separately by Seller.

IV. **Taxes and Other Charges.** In addition to Seller's invoice price or quote price, Buyer is also responsible for payment of any use-tax, sales tax, excise tax, duty, custom, inspection or testing fee, and/or any other fee, tax, or charge imposed by governmental or non-governmental authority arising from the goods provided by Seller. In the event Seller is required to pay any of the fees or charges listed in this paragraph, Buyer herewith agrees to immediately reimburse Seller for this cost, or in lieu of such payment by Seller, Buyer agrees to timely provide an exemption certificate or other comparable document to the entity or authority imposing said fee, tax and/or charge. Buyer further agrees to waive any and all claims regarding the reasonableness of such payment and will be liable to Seller for reasonable attorneys' fees and/or court costs incurred by Seller as a result of Buyer's failure to pay the charges listed in this paragraph.

V. **Limited Warranty.** Seller guarantees Goods meet applicable standards only when used as directed under normal operation or service. This guarantee is effective for thirty (30) days from the date of shipment for the original Buyer and is not transferable. If, and upon the determination of Seller's inspection, any Goods are deemed to be defective in material or workmanship within thirty (30) days from the date of shipment, Seller may, at its option, either replace any defective part(s) of the Goods to Buyer, or refund the purchase price of the defective part(s). Such replacement, however, shall not extend the warranty period provided in this paragraph. Seller does not warrant replacement items or any parts thereof that are of later- or improved-design or construction. Seller is not required to provide a factory replacement if an operational refurbished part is otherwise available. In the event that Buyer has a Third Party make any changes or repairs to the Goods, this warranty is voided and Seller is in no way liable for actions that occur subsequent to such Third Party action. Seller is not obligated to replace expendable parts, Goods, or any other parts that have been damaged due to misuse or Buyer's failure to observe proper maintenance, lubrication and/or operating procedures.

This guarantee excludes (i) the labor and costs of labor for the disassembly or removal of any Seller's Goods and (ii) any incidental or consequential damages or loss, whether based on breach of express or implied warranty, negligence, strict liability or any other legal theory. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, WITH REGARD TO THE DESIGN, SALE, MERCHANTABILITY OR FITNESS OF THE GOODS FOR A PARTICULAR PURPOSE OR USE EXCEPT AS EXPRESSLY SET FORTH HEREIN. SELLER IS NOT SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR WARRANTY, TORT CLAIMS INCLUDING NEGLIGENCE AND STRICT LIABILITY, OR ANY OTHER THEORIES OF LAW. SELLER IS UNDER NO EVENT LIABLE FOR ANY SPECIFIC, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL LOSS, DAMAGES, EXPENSE, INJURY, DISMEMBERMENT, OR DEATH OF ANY KIND WHATSOEVER.

This warranty shall be voided in the event of any improper use or storage of the Goods, whether intentional or unintentional.

- VI. **Delay.** Seller is not responsible for delay(s) in delivery for reasons beyond Seller's reasonable control, including but not limited to, Force Majeure. In the event of delay under this paragraph, the delivery schedule shall be extended by the amount of time originally lost due to the delay.
- VII. **Force Majeure.** "Force Majeure" means any cause not within the reasonable control of the party affected. Events of Force Majeure include, without limitation, acts of God, lockouts or other labor disturbances, wars, blockades, quarantine embargoes, riots, fires, explosions, failures of production facilities, shortages of fuel transportation, utilities, or raw materials, and governmental laws and regulations.
- VIII. **Payments.** All quotations are valid for Four (4) Weeks only. Invoices are payable upon receipt by Buyer and should be paid within in Thirty (30) Days of the invoice date, strictly net. Notwithstanding any terms to the contrary, in the event of a delinquency, all sums due and owing to Seller (retroactively applied to the invoice date) will be subject to interest charges at the rate of Nine Percent (9%) per month.
- IX. **Buyer Default.** In the event Buyer does not comply with any part of the payment terms of this Agreement, Seller shall have the right to elect to accelerate and declare immediately due and payable all debts and obligations of Buyer of any nature due to Seller, whether under this Agreement or otherwise, and, in addition, Seller may refrain from making any further shipments until such default or noncompliance is remedied. If at any time there is a substantial change in the financial condition of Buyer arising from a change in business or market conditions or otherwise, or in the event of Buyer's merger, reorganization, change in corporate or legal status, or other change in Buyer's business form, or if Buyer is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, or if a petition is filed under any applicable chapter of the relevant bankruptcy law respecting Buyer, or if any lien, arising from judicial process or otherwise, is placed on any material asset of Buyer, or if any tax lien is filed against Buyer, Seller, at its option, shall have the right to declare all amounts accrued under purchase orders (or other Agreements between the Parties) subject to these Terms and Conditions or any other contract immediately due and to change the payment terms hereunder, for any future deliveries, including, but not limited to, requiring cash in advance of delivery or delivery of an acceptable Letter of Credit. Any failure of performance by Buyer shall at the option of Seller be grounds for Seller, in addition to any remedies of Seller provided by law, to cancel or terminate purchase orders and all other contracts of sale between Buyer and Seller, and to recover all damages provided by law, including reasonable attorneys' fees and disbursements and court costs.

**X. Delivery; Assumption of Risk.**

- A. Unless otherwise expressly agreed in writing by the Parties, delivery of Seller's Goods is deemed to be complete once the products have left the Seller's warehouse via Buyer's carrier or via a common carrier. Buyer has the option to select method of transportation and routing of shipment. Seller is not responsible for any damage(s) occurring during transit or loss of shipment, and Buyer must make all claims directly to carrier. Buyer must submit claims for shortages and/or incorrect Goods to Seller in writing within ten (10) business days after receipt of shipment. Partial deliveries and deviations of order quantities up to +/- ten percent (10%) are permitted.
- B. Except as agreed upon in writing and signed by both Buyer and Seller, the passage of risk for shipment of all Goods is "EXW Seller's Warehouse."
- C. Delivery times are non-binding and approximate. In the event of uncertainty, the delivery period begins upon Seller's issuance of the confirmation order. Buyer understands and agrees that in order for delivery times to be met, the Buyer must submit all required documentation in a timely manner, including, but not limited to, authorizations, releases, and Buyer's obligations under the agreement. In the event that the Buyer fails to timely satisfy these requirements, the delivery deadline shall be extended accordingly.

**XI. Acceptance of Goods.** All Goods shall be accepted subject to the Buyer's rights of inspection, rejection, and revocation of acceptance pursuant to Article Two of the Uniform Commercial Code ("UCC"). Acceptance of Goods shall take place with the sampling process. Upon approval of the sampling process, manufacturing of the Goods shall be initiated.

**XII. Blanket Orders.** Unless otherwise agreed to by the Parties in writing, all Blanket Orders shall be accepted by Seller within Three (3) months of the expiration of the contract period. When the deadline expires, Seller reserves the right to invoice the Goods upon simultaneous shipment of the Goods, or to withdraw from the contract immediately. In the event that the contract period has not been agreed upon by the Parties, Seller is entitled to the rights contained herein for One (1) year after conclusion of the contract.

**XIII. Supply of Materials.** In the event that Buyer provides materials to the Seller for the production of the goods, Buyer shall bear all risk in the timely delivery of those materials. Buyer agrees to provide an appropriate quantity surplus of at least Five Percent (5%). In the event that Buyer's delivery is delayed, the Seller's delivery deadline of the Goods shall be extended accordingly and Buyer shall bear any and all additional costs included those for interruptions in production. Seller's liability regarding materials provided by the Buyer is limited to the same standard to which Seller uses with its own goods and materials.

XIV. **Tools.** If special tools are required by the Seller in order to manufacture the Goods, Seller shall remain the owner of those tools. Seller shall retain ownership of the tools even if the tools are manufactured by a third party or the Buyer pays pro rata for tool costs. The pro rata tool costs are listed separately in the offer and order confirmation from the Seller. All payments are due after the first delivery of Goods, without any deductions or set-offs.

XV. **Infringement of Third-Party Property Rights.** In the event that Buyer requests specialty Goods that must be manufactured according to drawings, models or samples owned by the Buyer, the Buyer guarantees that the objects manufactured according to these designs do not infringe on the intellectual property or industrial property rights of third parties.

XVI. **Indemnification.** Buyer agrees to indemnify Seller and its parent entities, its present and future subsidiaries, any and all subsidiaries of a subsidiary or parents of a parent, all affiliated corporations, and successors and assigns or any company or companies which either directly or indirectly controls or has the power to control a party, or any company or companies which is controlled by a part of which a party has the right to control (hereinafter referred to as the "Affiliated Companies") as to any such claim, damage, loss or expense arising out of or resulting from the design, construction, formulation, or composition of any product made or handled by the Goods in the hands of the Buyer. Buyer also agrees to indemnify and hold harmless Seller and its Affiliated Companies from and against all claims, damages, losses, and expenses, including all reasonable attorneys' fees and expenses arising out of or resulting from the Buyer's infringement of a third party's intellectual property or industrial property rights regardless of whether such claim, damage, loss, or expense is caused in part by the negligence or other act of the Buyer.

XVII. **Governing Law and Venue.** This Agreement shall be exclusively governed by the laws of the State of North Carolina giving effect to the conflict of law provisions thereto. The parties further consent to the exclusive personal jurisdiction of any applicable court in the city of Charlotte, in the county of Mecklenburg, North Carolina for any legal action or proceeding brought to enforce, construe or interpret these Terms and Conditions. Venue is proper only in the United States District Court of North Carolina. Each party hereto irrevocably submits to the jurisdiction of each court in each such action or proceeding.

XVIII. **Assignment.** This Agreement may not be assigned by Buyer without prior written consent of Seller.

XIX. **Security Interest.** Seller reserves a purchase money security interest in the Goods, all additions and accessories thereto, and all replacements, products, and proceeds thereof to secure payment of the purchase price. Said security interest shall be retained until the purchase price is paid in full. Buyer agrees Seller has the right to file the Agreement or financing statements pursuant to the Uniform Commercial Code; or other applicable law to evidence or perfect Seller's security interest in the Goods. Upon Seller's request, Buyer will join with Seller in the execution of such financing statements. Buyer further agrees Seller has the right to invoice Buyer and Buyer will pay all fees, taxes, and assessments associated with the filing of the Agreement or financing statements.

XX. **Severability.** If a court of competent jurisdiction holds any term or provision of this Agreement to be invalid or unenforceable, such provision or portion thereof shall be considered separate and apart from the remainder of the Agreement and the other provisions shall remain fully valid and enforceable.

XXI. **Modification.** The terms of this Agreement may not be amended, modified, waived, superseded, or rescinded except by a writing signed by Seller's duly authorized representative.

XXII. **Entire Agreement.** The Agreement, together with these Terms and Conditions and any attachments, manuals, guidelines, requirements, exhibits and supplements specifically referenced therein, constitutes the entire agreement between the Parties and supersedes any and all other prior contracts and undertakings, both written and oral, among the parties or any of them, with respect to the subject matter herein and, except as otherwise expressly provided herein, is not intended to confer upon any other person any rights or remedies hereunder.

(Last revised July 2018)