



NEWELL CORP

Standard Terms & Conditions of Sale

Newell Corporation's goal is to provide outstanding technical services, consistent quality and on-time deliveries at competitive prices. Our ability to meet that goal depends to a large degree on receiving timely/accurate technical and quality information from our customers.

The following standard Terms and Conditions have been created to ensure that projects progress smoothly and that expectations are clearly defined. These Terms and Conditions have been developed over years of business operation in the manufacturing industry. Any exceptions to these Terms and Conditions must be explicitly agreed to on a job-by-job basis.

Lead Time: Lead times quoted are estimated and are not *guaranteed*. Lead-times may vary due to current workload, material availability, job complexity and quantity of order. Once a Purchase Order is received, prices and current lead times will be confirmed to the customer and maintained to the absolute best of our abilities. Newell Corporation does not accept any form of penalties, liquidated damages or back charging for lead time changes or schedule slides.

Pricing: All prices are quoted based on the technical documents provided to Newell Corp at the time of quoting. Prices are generally valid for 15 days. Pricing is sensitive to many factors some of which can be controlled and others which cannot be. Once a purchase order is received, prices and lead times will be confirmed to the customer.

Purchase Order: A written purchase order or email equivalency is required for all orders. All purchase orders will be reviewed against our quotation for accuracy. Any changes to the scope of the project subsequent to the quote will require a re-evaluation of the quote for price and lead time.

CAD Files / Drawings: Programs are typically created for our CNC machines from the CAD solid model files supplied to us. It is presumed that the customer will supply *accurate* CAD models and drawing files. Newell Corporation is not responsible for errors in CAD models and/or drawing files supplied by the customer. Additionally, and unless specifically quoted, Newell Corporation is not responsible for verifying the CAD model files against the drawing files. Specifying the "controlling" document on the drawing, from a practical standpoint, is helpful as guidance but this typically leads to functional/quality issues or confusion at the end of the project. Customers should ensure that CAD and drawings files match so that projects can be completed efficiently.

If errors in the customer-supplied CAD files are discovered while parts are in-process, additional charges may be incurred on a time and material basis as needed to correct the errors. The customer will be advised of any extra charges and a purchase order or PO revision may be required to cover these charges. If errors in the CAD model and/or drawing files are found after the parts are completed, and the drawing is specified as the controlling document, then the customer may be charged for these parts and to remake correct parts on a job-by-job basis.

Customer Delays and/or Holds: Your parts are being produced on high-cost equipment. It is therefore very costly for a machine to sit idle while waiting on information from the customer. In the event of delays or holds caused by inaccurate or incomplete information, or other customer related reasons, it may be necessary to pass additional charges onto the customer. In some cases, depending on the length of delay, it may be necessary to pull the job out of the machine. If that occurs, additional setup charges may be incurred and lead times will be re-evaluated.

Cancellations: Orders may be cancelled or deliveries deferred only upon condition that the Buyer assumes immediate liability and makes payment for all work completed and in process unless explicitly agreed to otherwise. Such charges shall include raw material, unamortized tooling, engineering, handling, overhead, production, and outside cost; i.e. heat treat and plating. Such charges will be determined at the time of cancellation or deferment.

Delivery/Shipments: Seller shall not be liable for damages for default or delay in production or delivery for causes beyond his control including an accident to or breakdown of his equipment, labor disputes, embargoes, acts of God, supplier delays, government restrictions, riot or carrier delays.



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Taxes: All sale and/or use taxes and custom duties imposed by federal, state, county or municipal authority upon Seller's transfer and delivery of merchandise hereunder shall be paid by the Buyer.

Patents: The products hereunder are manufactured in accordance with the Buyer's specifications and design. Accordingly, Buyer shall defend and hold harmless vendor from all damages, claims, actions or suits based upon actual or alleged infringement of any patent registered in the U.S. or elsewhere.

Warranty: Seller warrants that goods manufactured by him will conform to the drawings and specifications furnished by Buyer. Where products are used and combined with other equipment or components not furnished by Seller, Buyer agrees to indemnify Seller for all claims and expenses resulting from the use of incorporation into Buyer's products. No express or implied warranty of merchantability or fitness for use is made except as provided herein.

Limited Liability: The Seller's liability shall be limited to the amount of the contract. The foregoing states Seller's entire and exclusive liability. In no event will the Seller be liable for consequential or special damages arising from any defect or use of his product.

Customer Provided Goods: The Seller's liability shall be limited to the amount of the contract for the scope of work provided. Newell Corporation does not accept any form of penalties, liquidated damages or back charging related to customer provided goods and materials. Newell Corporation will do everything in its power to proceed cautiously and responsibly with customer supplied goods and material but does not accept any liability for these goods and materials unless explicitly agreed to in writing by the President of Newell Corporation on a job-by-job basis.

Penalties, Liquidated Damages & Back-Charging Contractual Clauses: Newell Corporation does not accept any form of contractual penalties, liquidated damages or back charging clauses which may be included in customer terms and conditions unless explicitly agreed to in writing by the President of Newell Corporation on a job-by-job basis.

Payment Terms: Newell Corporation reserves the right to revoke any payment terms granted and require immediate payment for work performed or to be paid in full at time of delivery.

Late Payments: Late or withheld payments which are greater than 12 calendar days overdue will be treated as a material breach of contract and will immediately discharge the Seller from *any* further contractual obligation to the Buyer. If a pattern of late payments emerges then payment terms will be revoked and Seller reserves the right to place current work, material and/or finished product on credit hold until a satisfactory financial agreement has been reached.

Recovery of Costs: If any legal action or other proceeding is brought for the interpretation or enforcement of this agreement, or because of an alleged breach, default or other dispute in connection with any of the provisions of this agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, whether for negotiation, trial, appellate, bankruptcy or other services, and other costs incurred in the action or proceeding, in addition to any other relief to which it or they may be entitled.

Governing law; Venue: This agreement shall be governed in all respects by the laws of the State of Washington, and the parties agree that the appropriate venue for any dispute involving issues arising from this agreement shall be Snohomish County, Washington.

Entire Agreement: This document contains the entire agreement of the parties relating to this subject matter, may not be changed or modified except by instrument in writing executed by the parties, and is binding upon the heirs, successors, personal representatives and assigns of the parties. Any other attempted modification shall be void and not admissible in evidence in any action arising from this agreement.