

## C+K Plastics Inc. SALES ORDER ACKNOWLEDGMENT TERMS AND CONDITIONS

### 1. Definitions.

- The term "C +K" means **C+K Plastics Inc.** The term "Buyer" means the individual, corporation or other legal entity that has submitted an Order to C+K.
- The term "Order" means Buyer's expressed desire, whether oral or written, to purchase Goods and Services from C+K.
- The term "Goods" means all of the products, materials and related services that Buyer desires to purchase from C+K. The sale of the Goods that are the subject of this Order will be governed by the terms of this sales order acknowledgment ("Acknowledgment").

### 2. Acceptance.

As defined on the face of this Acknowledgement

### 3. Price.

Unless specified otherwise in a writing signed by C+K, the prices and charges stated in this Acknowledgment will not be adjusted.

### 4. Shipping

C+K reserves the right to ship up to 10% above the order quantity.

### 5. Payment.

Payment terms are net 30 days from date of C+K's invoice or as noted in corresponding Sales Order.

### 6. Documentation.

C+K shall provide, when required, the following documentation:

- First Article Inspection documentation shall be provided for first production run of a part only. The Inspection documentation for all subsequent production cycles shall be held in file at C+K.
- Certificate of Conformance
  - Material used
  - Part Number
  - Revision
  - Ship date
  - Signed by a representative of C+K

### 7. Delays.

Unless a shipping date is specified as firm in this Acknowledgment or in a writing signed by C+K, C+K will use commercially reasonable efforts to fill this Order in accordance with the estimated shipping date. C+K WILL NOT BE RESPONSIBLE FOR ANY DELAYS IN FILLING THIS ORDER NOR BE LIABLE FOR ANY LOSSES OR DAMAGES RESULTING FROM SUCH DELAYS, AND THIS ORDER WILL NOT BE SUBJECT TO CANCELLATION FOR SUCH DELAYS.

### 8. Force Majeure.

C +K will not be liable for delays in filling this Order or failure in the performance of any of its obligations caused by accidents, shortages of labor, materials, fuel or power, fires, floods or other acts of God, acts or omissions of Buyer, including without limitation cease of production/operation by a company due to economic hardship, which is beyond the control of C+K.

### 9. Warranty.

C+K warrants to Buyer that the Goods will, at the time of shipment, substantially conform to the description in the Acknowledgment, and that for a period of 60 DAYS from the date of shipment, such Goods will be free from defects in material and workmanship.

### 10. Limitation of Liability.

C+K's SOLE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY TENDER OF NONCONFORMING GOODS OR BREACH OF WARRANTY, IS EXPRESSLY LIMITED TO C+K'S CHOICE AT ITS DISCRETION OF

- THE REPAIR OF THE NONCONFORMING GOODS,
  - THE REPLACEMENT OF THE NONCONFORMING GOODS WITH CONFORMING GOODS AT THE PLACE OF DELIVERY SHOWN IN THIS ACKNOWLEDGEMENT, OR
  - THE REFUND OF THAT PORTION OF THE PURCHASE PRICE REPRESENTED BY THE NONCONFORMING GOODS.
- ANY SUCH REPAIR, REPLACEMENT OR REFUND WILL BE MADE ONLY UPON RETURN OF THE NONCONFORMING GOODS, WHICH MAY BE RETURNED AT C +K'S COST ONLY AFTER C+K'S INSPECTION AND BUYER'S RECEIPT FROM C+K OF SHIPPING INSTRUCTIONS.

C+K WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, CONTINGENT, OR PUNITIVE DAMAGES FOR:

- ANY BREACH OF WARRANTY, WHETHER BASED ON THEORIES OF BREACH OF WARRANTY, BREACH OF CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE;
- THE TENDER OF DEFECTIVE OR NONCONFORMING GOODS; OR
- BREACH OF ANY OTHER PROVISION OF THIS ACKNOWLEDGEMENT. IN ANY EVENT, C+K'S LIABILITY TO BUYER WILL NOT EXCEED THE PURCHASE PRICE OF THE GOODS ON WHICH SUCH LIABILITY IS BASED.

**NOTE:** ANY DAMAGE AS RESULT OF SHIPPING SHALL BE THE RESPONSIBILITY OF THE CARRIER. ALL CLAIMS FOR DAMAGE SHALL BE FILED WITH THE SHIPPER.

### 11. Termination.

Unless otherwise provided under this Acknowledgement, Buyer may not terminate this Order or this Acknowledgment without the written consent of C+K. If C+K consents to such termination, reasonable termination charges, computed by C+K, will be assessed in connection with such termination. For the avoidance of doubt, C+K's termination charges include, but are not limited to, applicable price for the Goods of which C+K has completed manufacture prior to the termination effective date, work in process, materials purchased and applicable labor costs.

### 12. Disputes Resolution.

Buyer and C+K shall use good faith efforts to resolve disputes, within twenty (20) business days of notice of such dispute. Such efforts shall include escalation of such dispute to the corporate officer level of each party. If any such dispute can not be resolved within said twenty (20) business day period, absent a specific consent of the parties otherwise, each party can file a claim with a competent people's court. The parties further agree that the court with jurisdiction over C+K's registered location shall have exclusive jurisdiction over any litigation hereunder.

### 13. Tooling:

There will be no cost for the warehousing and storage of any Customer own Tooling during active production cycles. C + K Plastics Inc. may charge for the storage and warehousing of any tooling that has been declared "Inactive" in accordance with the following:

- 1) TOOLING shall be defined as:  
Any Mold, Fixture or other associated tooling that is used in the production of a Customer's part.
- 2) Tooling shall be considered INACTIVE when a period of 18 months has elapsed from last Purchase Order for production of parts.
- 3) Billing for all tooling shall be calculated as \$35.00 per "PALLET LOCATION" (4.0 ft X 4.0 ft) per month and will be invoiced yearly.
- 4) TOOLING shall be considered ABANDONED after a period of 36 months of INACTIVITY and FAILURE to pay Storage fees by the customer. The Customer shall lose all claim to the abandoned tools.
- 5) Any shipping or relocating of Inactive Customer Tooling shall be at the customer's expense.

### 14. Miscellaneous.

(a) No provision of this Acknowledgment and no breach of any provision of this Acknowledgment will be deemed waived by reason of any previous waiver or breach of such provision.

(b) This Acknowledgment may be performed, and all rights under this Acknowledgment may be enforced against Buyer, by C+K.