TERMS AND CONDITIONS OF SALE ("TERMS")

1. PAYMENT TERMS:
    a. Production parts: Net 30 days
    b. Prototype parts: Net 15 days
    c. Tooling (Prototype): Net 15 days. 1/2 with PO; 1/2 with Sample
    d. Tooling (Production): Net 30 days. 1/3 with P.O.; 1/3 upon tool delivery; 1/3 upon sample. No production parts will be run without tooling paid in full per the payment terms. These terms are subject to change per the tooling source requirements.
    e. Prototype Design & Engineering Service: Net 30 days of start date (PO date)
    f. 2 % monthly service charge shall be applied to accounts over 30 days.
    g. Hold Over Fee: See line 16

2. F.O.B.: JACKSON, MICHIGAN
3. If payment is not made as provided in these Terms, or if your ("Buyer" or "you" or "your") financial condition becomes unsatisfactory to Diversified Engineering & Plastics, LLC ("DEP" or "we" or "us"). DEP may, at its option: (a) suspend performance of its obligations under the Contract, including by withholding future deliveries of parts to Buyer until such breach has been cured or Buyer's financial condition is improved to DEP's satisfaction: (b) require payment in advance as to future deliveries or security to ensure payment: (c) demand return from Buyer of any parts under the Contract or other agreement for which payment has not been made: or (d) cancel the Contract. Lack of part approval cannot be considered reason for withholding payment.
4. To the extent legally permissible, all present and future taxes imposed by any applicable authority, which DEP may be required to pay or collect upon with respect to the sale, purchase, delivery, storage, use or consumption of the parts (except income taxes) shall be added to the purchase price of such parts and shall be paid by Buyer to DEP. DEP shall not in any event be liable or responsible for any taxes, assessments or other charges which may be imposed upon, levied against or claimed to be due from Buyer.
5. This quotation is valid only for purchase orders received by DEP within 30 days of the quotation. Thereafter all prices are subject to adjustment without notice.
6. When prices are submitted on a partial part drawing, quotations may be revised by DEP after receipt of final specifications.
7. This quotation assumes your design, raw material selection and other requirements permit production using DEP's normal methods and techniques. Any special equipment, production methods, techniques or other custom works that are required by Buyer's order will be surcharged.
8. DEP's performance is subject to events or occurrences beyond its control including but not limited to strikes either real or threatened, acts of God, war or threat of war, or other cause beyond DEP's control making it from an economic, political, personal safety, or policy basis, illegal, inadvisable, or impossible to perform (each a "Force Majeure"). DEP may not be held liable or deemed in default if prevented from performing its obligations under the Contract by a Force Majeure, including without limitation, making delivery of products.
9. Buyer may not alter, correct, or repair parts without authorization by DEP. Such unauthorized alteration, correction, or repair relieves DEP of responsibility for same.
10. Tools, fixtures, etc. incidental to our manufacture of the product mold or die ordered are DEP's property unless specifically purchased by you, provided that title to such tools, fixtures, etc. purchased by Buyer shall not transfer to Buyer until DEP is paid in full.
11. If gauges are required, they are to be furnished or paid for by the Buyer.
12. Commercial limits unless otherwise specified are considered to be plus or minus .010.
13. On production runs, we reserve the right to over ship or under ship by an amount not to exceed 10% of specified quantity.
14. Standard production lead time is **4-6 weeks** for current programs, 6-12 weeks for service programs. This is subject to change by DEP and must be quoted at the time a revised or new purchase order is issued to ensure the availability of raw material and press capacity. DEP cannot guarantee the availability of finished or raw product if a need should arise for sooner delivery times.
15. Purchase orders must contain firm order quantities for a minimum of **4-6 weeks** and planned/forecasted quantities for **6-12 weeks**. All customer purchase orders must clearly state the firm and planned/forecasted requirements. DEP is not responsible for missed shipments if this requirement is not followed.
16. Subject to DEP's acceptance of your purchase order, firm order quantities will be binding on you and cannot be changed within the **4-6 week** required delivery period. You are obligated to accept the shipment of all firm order quantities and shall make payment for such quantities in accordance with Section 1. Planned/forecasted quantities may be changed up to **{6}** weeks prior to the scheduled delivery date, but any reduction in planned/forecasted quantity change shall be no more than {8} percent of the original planned/forecasted quantities; provided that such changes shall be subject to the capacity limitations of DEP's equipment, processes and other specifications. **– Hold over FEE OF 5% total invoice amount starting day 1 of missed scheduled pick-up day. Fee assessed daily until product ships.**

17. You hereby authorize DEP to procure materials based on the firm order quantities and planned/forecasted quantities stated in your purchase order(s). In the event of any permitted cancellation or reduction in quantities you shall be liable for the cost of materials ordered or purchased by DEP in accordance with your purchase order(s), if the material cannot be cancelled or cannot be otherwise consumed by DEP within two (2) months of the date of cancelation or reduction in quantity.
18. Samples submitted shall be deemed approved if written notice of rejection is not received within 30 days of delivery.
19. When it is received, your purchase order will be considered an offer to buy from DEP. No contract will be considered to exist until we receive and accept your purchase order(s). Our acceptance of your offer is expressly limited to and expressly made conditional on your assent to these Terms and Conditions. DEP objects to any terms different from or additional to those contained in the Quotation or these Terms. The Quotation and these Terms together with the purchase order(s), issued by you and accepted by us, shall constitute the entire agreement between the parties and shall be collectively referred to as the "Contract". The Contract must include unconditional acceptance of our Terms, and all terms and conditions in or attached to you purchase order form or otherwise, are hereby expressly REJECTED by DEP, and shall not become part of the Contract.
20. All specifications, drawings, tests, designs, inventions, technical data, samples, prototypes, models, and/or equipment supplied by DEP, directly or indirectly, will remain DEP's property and will be held in confidence by Buyer. Buyer will not reproduce, use, or disclose such information to others without DEP's prior written consent, and will return all such information to DEP upon demand or upon completion by DEP of its obligations under the Contract. DEP will own all right, title, and interest in any idea, invention, concept, discovery, work of authorship, patent, copyright, trademark, trade secret, know-how, or other intellectual property by DEP or Buyer and related, directly, or indirectly, to the parts of the Contract.
21. Except as required by law, Buyer agrees that it will not issue or release for publication any press release, article, advertising or other publication or publicity matter in any form (including print, electronic, or interview) relating to DEP, or Buyer's Contract with DEP, without first obtaining the written consent of DEP.
22. DEP warrants that at the time of shipment, the material furnished hereunder will be free from defects in the material and workmanship. DEP warrants that the material covered by this contract is of the merchantable quality set forth in its published specifications, if any, or as may be otherwise stated in this Contract, but makes no other warranty expressed or implied. Unless additional mold life is specified, with respect to molds, the foregoing warranty shall be applicable only up to 1,000,000 shots. This limited warranty extends only to Buyer. THE LIMITED WARRANTY SET FORTH HEREIN IS BUYER'S EXCLUSIVE REMEDY AGAINST DEP AND ITS SUPPLIERS RELATING TO THE PARTS, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY. THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES EITHER EXPRESSED, IMPLIED, OR STATUTORY, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL DEP BE LIABLE WHETHER IN CONTRACT OR TORT OR ANY OTHER LEGAL THEORY FOR ANY INCIDENTAL, INDIRECT, EXEMPLARY, CONSEQUENTIAL OR SPECIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY DIRECT OR INDIRECT LOST PROFITS, USE OR REVENUE, OR FOR COST OF CAPITAL OR OF SUBSTITUTE USE OR PERFORMANCE, OR INCREASED COSTS OF OPERATION OR MAINTENANCE, REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR DEP WAS ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE. DEP'S LIABILITY FOR BREACH OF WARRANTY OR FOR DAMAGES UNDER THE CONTRACT OR OTHERWISE (INCLUDING LIABILITY FOR NEGLIGENCE) IN NO EVENT SHALL EXCEED THAT PART OF THE PURCHASE PRICE APPLICABLE TO THE PARTS WITH RESPECT TO WHICH SUCH BREACH OR DAMAGES ARE CLAIMED. BUYER MUST GIVE DEP WRITTEN NOTICE OF ANY CLAIM OR BREACH OF THIS LIMITED WARRANTY WITHIN 10 DAYS AFTER THE OCCURRENCE OF THE EVENT UPON WHICH SUCH CLAIM IS FOUNDED. THE FAILURE OF BUYER TO GIVE SUCH WRITTEN NOTICE SHALL BE A WAIVER OF ALL CLAIMS.
23. Title to and risk of loss of all material sold hereunder shall pass to Buyer upon delivery by DEP to carrier at point of shipment whether or not DEP pays all or any part of the freight.
24. Buyer agrees that the distribution of product during periods when demand exceeds supply shall be determined from Buyer's recent actual purchase patterns and not upon contractual volume minimums. DEP will not be obligated under any circumstances to purchase parts from any other party to meet Buyer's demands or contractual volume commitments, nor will DEP be liable for any damages or claims arising therefrom.
25. The Contract shall be governed and construed in accordance with the laws of Michigan without giving effect to principles or conflicts of law thereof. Buyer and DEP agree and consent to exclusive jurisdiction and venue in the federal and state courts of Michigan, and waive any objections based on lack of jurisdiction, inconvenient forum or other theory. THE PARTIES IRREVOCABLY WAIVE ALL RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLIVNG ANY CLAIM RELATING TO OR ARISING UNDER A CONTRACT BETWEEN DEP AND BUYER.
26. If any part of these Terms and Conditions is for any reason held to be unenforceable, the rest of it remains fully enforceable.
27. Customer/ Buyer agrees that DEP's Quotation and DEP's acceptance of Customer's/Buyer's order (if at all), are expressly limited to, and expressly made conditional on, Customer's/Buyer's acceptance of the Terms and Conditions of Sale provided by DEP to Customer / Buyer. A copy of the Terms and Conditions of Sale are also available at www.deplastics.com. DEP objects to any terms different from or additional to those contained in DEP's Quotation or Terms and Conditions of Sale.
28. Customer / Buyer agrees to, and acknowledges receipt of, these Terms and Conditions from Diversified Engineering & Plastics, LLC.

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Rev. #	Rev. Date	Reason for Document Change
11	02/22/2014	
12	05/01/2018	UPDATED TO CURRENT PROCESS & REQUIREMENTS & added receipt and acceptance of terms and conditions of sale.
13	02/05/2019	Formatted upper section; added Quote type section and moved up request#, date & DEP Quote#
14	10/2/2019	Added to Payment terms: Prototype Parts, Tooling Prototype & Prototype design & engineering service. Added Prototype box to quote form. Added lines 27 & 28 Customer/Buyer terms and conditions agreement
15	3/1/2022	Updated Payment terms (g) and lines 14-16. Update effective 3.1.2022 due to supply chain related issues.