



*Shaping the Products of Tomorrow...In Plastic®*

Terms and Conditions of Sale

All customer purchase orders placed by customers by whatever chosen means (electronically, email, mail, fax or other method) are subject to the provisions stated on the face of the Flambeau, Inc. Order Acknowledgement as well as these Terms and Conditions of Sale ("Terms"). Flambeau, Inc. ("Flambeau") expressly rejects any and all terms and conditions set forth in any customer purchase order or communication that are in addition to, or different from, the Terms stated herein. By taking delivery of parts/products, customer acknowledges and accepts all of the provisions on the face of the Flambeau Order Acknowledgement and these Terms.

All orders received are subject to written acceptance by Flambeau through a Flambeau Order Acknowledgement sent to Customer.

Prices and terms are subject to change without notice and shall be those in effect on the date of shipment. Flambeau reserves the right to adjust part(s)/product(s) pricing on all purchase orders with prior written notice to Customer.

Standard Payment Terms are Net 30 Days from the date the part(s)/product(s) are shipped to Customer with approval from Flambeau or Cash In Advance via ACH, Wire Transfer or Credit Card terms. Credit card payments are not accepted on invoices and/or customer accounts with Payment Terms.

A late payment fee on past due invoices will be assessed at 1.5% per month.

Standard freight terms are F.O.B. Flambeau Plant, Freight Collect. Flambeau requires most shipments be made in full carton quantity. Standard Lead Times vary by plant location and product line. Flambeau reserves the right to run and provide +/- 5% of the ordered quantity for any custom/contract manufactured part(s)/product(s). Customer specified delivery date(s) will be set as previously agreed or acknowledged by Flambeau. Flambeau shall not be liable for any costs or expenses incurred by Customer as a result of part(s)/product(s) not being delivered in customer specified quantities or within/on customer specified delivery date(s). Shortage or damage claims should be submitted by the Customer to the delivering transportation company promptly.

All returns require prior approval from Flambeau and must reference a valid Flambeau Return Material Authorization (RMA) number. Flambeau does not accept returns of discontinued items. Returns made without prior approval will be refused. Returns must be made in unopened master cartons and shipped freight prepaid. All returns are subject to a 20% of shipment value restocking fee.

Blanket purchase orders issued by the customer may not exceed a twelve-month duration from original date of the purchase order. New Blanket purchase orders are required to be issued every twelve months; this applies to non-EDI and EDI submitted customer purchase orders. Part prices are not guaranteed for the life of a blanket purchase order and are subject to change by Flambeau with prior written notice.

Flambeau warrants the quality of all parts/products shipped with respect to workmanship and that all parts meet mutually agreed-to customer specifications. Such warranty shall be effective for a period of one (1) year from the date the part(s)/product(s) are shipped to the Customer. Flambeau does not warrant that

parts are merchantable or suitable for a particular purpose, their intended use and/or application. On all custom/contract part(s)/product(s) it is understood and accepted Customer has designed, modified, and incorporated the part(s)/product(s) into their product and takes full responsibility and liability with regard to any claims, suits or actions related thereto, and agrees to fully defend and indemnify Flambeau and its affiliates from and against any and all such claims, suits and actions. Flambeau makes no other warranties with regard to the part(s)/product(s), whether express or implied, and hereby explicitly rejects any such other warranties.

In the event a part/product is found defective, as agreed to by Flambeau in writing, Flambeau shall repair or replace such defective part(s)/product(s) as customer's sole and exclusive remedy for such defective part(s)/product(s).

Customer changes beyond the original scope of the project that require changes to, or additional resources, activities, manufacturing operations, materials, components, packaging, testing, etc. are subject to changes in the project's lead time, costs and part prices. If these lead times, costs or part prices are not agreed to, Flambeau has the right not to make the requested changes.

Due to the custom nature of contract manufacturing, Customer Purchase Orders already accepted by a Flambeau Order Acknowledgement may not be cancelled or changed without prior written approval from Flambeau.

Flambeau is responsible for the cost of routine preventive maintenance to customer-owned tooling and related production equipment (collectively, the "Tooling") during the quoted life of the Tooling. Customer is responsible for costs of repairs, refurbishment or replacement required to support the Tooling beyond typical preventive maintenance during or after the quoted life of the Tooling and for circumstances that are due to conditions beyond Flambeau's control. Any Tooling not removed by customer within sixty (60) days of receiving written notice from Flambeau to do so shall be used or otherwise disposed of by Flambeau, in its sole discretion, without further notice or liability to customer.

Information related to the development of manufacturing processes for the development and production of customer's part(s)/product(s) is the property of Flambeau.

Any removal of customer-owned Tooling requires a 180-day advance written notice be provided to Flambeau. All materials, purchased components, work-in-progress and finished goods related to the part(s)/product(s) made with the Tooling to be removed by customer must also be removed and paid for and any outstanding invoice balances owed Flambeau must be paid in full prior to the release of any customer-owned Tooling. Customer acknowledges and agrees that Flambeau has prior, perfected lien on the Tooling and all part(s)/product(s) made with the Tooling until Flambeau has been paid in full for such amounts.

Flambeau shall not be responsible for any liability resulting from any cause beyond the reasonable control of Flambeau (force majeure). Such causes of force majeure may be due to, but not limited to, Acts of God, labor shortages, extremely inclement weather, shortage of or inability to obtain power, labor, materials or component parts, mold or equipment breakage, transportation disruptions, natural disasters, pandemics, epidemics, government actions and/or orders of courts. Either Flambeau or Customer may reduce or eliminate purchase order quantities so affected but the purchase order shall remain otherwise in effect. If Flambeau's supply of part(s)/product(s) to be sold hereunder is limited by any such cause, Flambeau shall have the right to reduce or cancel in its entirety its commitment under the applicable agreement or purchase order.