

CAMPBELL GRINDER COMPANY

SALES ORDER TERMS AND CONDITIONS

Revision date: 8/22/2023

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(These terms and conditions govern all sales of goods and related services by Campbell Grinder Co. ("Seller") to anyone who orders goods, as Buyer, for commercial purposes. These terms and conditions form a part of, and are incorporated by reference into, all orders submitted to Seller by any means. Each such order, including these terms and conditions, is referred to herein as a "Sales Order." SELLER OBJECTS IN ADVANCE TO THE INCLUSION OF DIFFERENT TERMS PROPOSED BY BUYER IN ITS SALES ORDER. THE INCLUSION OF SUCH TERMS BY BUYER WILL BE OF NO SIGNIFICANCE, SUCH TERMS WILL NOT BE CONDITIONS OR ADDITIONAL TERMS TO THE SALES ORDER, UNLESS SELLER AGREES OTHERWISE IN WRITING IN EACH INSTANCE.

- 1. OFFER AND ACCEPTANCE.** Unless otherwise stated in writing, a proposal by Seller does not constitute a firm offer but is an invitation to Buyer to place a Sales Order. All Sales Orders by Buyer are subject to written acceptance via Acknowledgement only by Seller's President or Vice President. If a Sales Order based upon a proposal is accepted by Seller, it is agreed that the Sales Order shall be subject to the terms and conditions set forth in these sales order terms and conditions, all of which shall be incorporated in the Sales Order by reference and shall supersede all prior oral, written or printed terms and conditions.
- 2. PRICE.** Prices are subject to change thirty (30) days, (or unless otherwise specified on the quotation) after the date of quotation unless extended in writing by Seller or by Seller's acceptance as evidenced by Seller's Acknowledgment (unless escalation terms are included in any accepted proposal). Buyer agrees to pay to Seller the price per unit set forth in the Acknowledgment. In addition, Buyer agrees to pay all sales, use, excise or similar taxes, and all customs and duties, applicable to the sale of the goods and services, all delivery charges, and all other costs and expenses expressly required to be paid by Buyer in the Sales Order. All prices are in United States dollars (US\$).
- 3. SHIPPING.** Unless Seller agrees otherwise in writing, all goods shall be shipped EXW at Seller's facility in Spring Lake, Michigan (Incoterms® 2020). Proposed shipping schedules are approximate and subject to confirmation by Seller at the time of Sales Order acceptance. The shipping schedule will be computed from the date Seller accepts the Sales Order. In the case of special items, the shipping schedule will be computed from the date Seller receives Buyer's Sales Order together with complete engineering details and any other information necessary to proceed with design and manufacturing. Shipping schedules are subject to unavoidable delays caused by *force majeure* events (as defined below) as well as any priority system established by the U. S. Government or any of its agents. Any applicable priority rating must be indicated on each Sales Order. Buyer's receipt of the quoted products shall constitute a waiver of any claims for delay. Under no circumstances shall Seller have any liability whatsoever for loss of use or for any indirect or consequential damages. Buyer shall be responsible for all customs and other export and import documents and requirements.
- 4. FORCE MAJEURE.** Neither party shall be liable for damages resulting from delays arising out of causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, acts of the government, fires, floods, pandemic, strikes, and freight embargoes, nor shall such delay affect the remainder of the Sales Order. Seller will notify Buyer in writing as soon as reasonably possible after the beginning of any *force majeure* cause for delay.
- 5. PACKING.** Seller shall label, pack, and mark all goods and supplies in accordance with Seller's customary practices and in compliance with transportation regulations and good commercial practice. If Buyer requires any overseas or special packaging, containers, crating, boxing, or storage, Seller will use commercially reasonable efforts to provide the same, and Buyer shall bear all cost and expense of the same.
- 6. INVOICING AND PAYMENT.** All goods, services, software, crating, delivery, insurance and installation will be invoiced at the time of shipment. Payment terms are (i) for domestic machines sales - thirty percent



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(30%) to accompany the Purchase Order, twenty percent (20%) upon completion of Engineering Design and Buyer's approval by signed acceptance, forty percent (40%) due upon shipment or offer to ship and Buyer's approval by signed acceptance, ten percent (10%) following installation at Buyer's facility, due upon receipt of invoice but not to exceed ninety (90) days from date of shipment or offer to ship; (ii) for domestic parts sales - call for quote, (iii) for international sales - fifty percent (50%) deposit with balance one hundred percent (100%) confirmed by irrevocable unconditional letter of credit, accepted at Spring Lake, Michigan U.S., payable at sight in U.S. currency at the counter of a U.S. bank, to be opened not less than sixty (60) days prior to Seller ship date; (iv) international part sales - wire transfer in advance, or (v) on all sales - payment in full prior to scheduled shipping date. Upon non-compliance with such payment terms, Buyer shall be in default without any demand for payment.

All sales are subject to all applicable use, sales, excise and like taxes, and export or import duties, taxes or fees, which Buyer shall pay. Interest will be charged at the rate of One and one-half percent (1½%) per month on accounts not paid in due course.

7. **TAXES.** Buyer agrees to pay all applicable sales, use, excise or similar taxes and fees, and all customs and duties, applicable to the sale of the goods and services, all delivery charges, and all other costs and expenses expressly required to be paid by Buyer in the Sales Order; such amounts may be billed directly to Buyer by the authority authorized to collect payment of them. Under no circumstances can amounts owed by Seller to any other division, subsidiary or company of Buyer be applied or used as offset for said amounts.
8. **INSPECTIONS AND TESTING.** Testing of new machine systems, replacement parts, retrofits and other special orders prior to shipment shall be conducted by Seller at Seller's facility in accordance with Seller's standard testing specifications, a copy of which will be made available to Buyer at Buyer's request. For new machine systems, Buyer is entitled upon reasonable notice to Seller to witness final testing at Seller's facility at Buyer's cost. Successful completion of the final factory testing procedures at Seller's facility shall constitute acceptance of the goods by Buyer. Special testing or part runoff requested by Buyer may, at Seller's option, be provided at extra charge to Buyer. Buyer shall examine delivered merchandise immediately upon installation with respect to conformity to Buyer's Sales Order, and shall notify Seller, in writing, of all specific alleged defects, not later than six (6) working days after installation of the goods. For replacement parts, retrofits and other special orders, Buyer shall examine delivered merchandise immediately with respect to conformity to Buyer's Sales Order, and shall notify Seller in writing, of all specific alleged defects, not later than six (6) working days after receipt of the goods. If Buyer fails to give proper notice as specified above, Buyer shall have no warranty claims with respect to obvious defects. Buyer shall not be entitled to withhold or offset payments to Seller because of possible defects.
9. **INSTALLATION.** Buyer shall notify Seller immediately of the receipt of the goods at Buyer's facility, and shall locate the goods in the area of Buyer's facility where the goods are to be installed. Seller will, in accordance with its quotation, Sales Order, and the terms and conditions hereof, provide trained personnel to install or supervise installation of the goods. Buyer shall supply all necessary facilities, service and labor without cost to Seller to enable Seller's personnel to provide such services without delay or interruption.
10. **WARRANTY.** Machine Sales, thereof covered by these terms and conditions which, under normal operating conditions at Buyer's facility, proves defective in material or workmanship within one (1) year from the date of approved installation via signed acceptance and/or customer begins processing production parts and/or one hundred twenty (120) days from shipment (whichever takes place first). These parts will be replaced free of charge provided that Buyer promptly notifies Seller of the defect and establishes that the product has been properly installed, maintained and operated within the limits of rated and normal usage. The terms of this warranty do not in any way extend to any product or part thereof covered by this quotation which has a life, under normal usage, inherently shorter than the one (1) year period indicated above or



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which was not manufactured by Seller. Under no circumstances shall Seller have any liability whatsoever for loss of use, or for any indirect or consequential damages or liabilities implied due to use of the product or machine. For all purchased components, Seller offers this original manufacturer's warranty only, which may be more or less than the standard Seller Warranty period. NOTE: USE OF REPLACEMENT PARTS OR COMPONENTS OF REPLACEMENT PARTS THAT ARE NOT TO OEM SPECIFICATIONS AS SHIPPED WITH THE GOODS, MAY VOID ANY FACTORY WARRANTY OBLIGATION.

Parts Sales, thereof covered by these terms and conditions which, under normal operating conditions at Buyer's facility, proves defective in material or workmanship within one (1) year from the date the part was shipped per the Sellers shipper. If a replacement part is needed it will be part only, shipping or labor to install part will not be included. These parts will be replaced free of charge provided that Buyer promptly notifies Seller of the defect and establishes that the product has been properly installed, maintained and operated within the limits of rated and normal usage. The terms of this warranty do not in any way extend to any product or part thereof covered by this quotation which has a life, under normal usage, inherently shorter than the one (1) year period indicated above or which was not manufactured by Seller. Under no circumstances shall Seller have any liability whatsoever for loss of use, or for any indirect or consequential damages or liabilities implied due to use of the product or machine. For all purchased components, Seller offers this original manufacturer's warranty only, which may be more or less than the standard Seller Warranty period.

Turnkey Applications -- Machines shipped with a turnkey application must maintain the use of OEM specified materials and equipment as shipped with the machine. Any and all liability and/or responsibility of any nature whatsoever is specifically denied if this machine is operated at speeds or other process parameters exceeding the grinding wheel manufacturers recommendation. This exception to warranty extends to the original Buyer and includes subsequent statements or implications either expressed or implied. Seller recommends that the grinding wheel manufacturer(s) be consulted if a recommendation is to be modified and with the understanding that such manufacturer assumes all responsibility for its recommendation for the speed of its product. Seller denies liability and responsibility, whether expressed or implied, for any component or attachment furnished by Buyer or Buyer's suppliers for use on a Seller machine by the original owner. Seller must also provide parts to Campbell for Turnkey development. These parts must have the exact same material characteristics and physical stock condition as the production parts or Campbell Grinder cannot be responsible for the results. Any type of warranty for a turnkey is not to exceed the original attached warranty of the machine and/or one (1) year whichever is greater.

Buyer's sole remedy for breach of warranty, and Seller's sole obligation, will be prompt repair or replacement of the non-conforming good, as selected by Seller in its sole discretion. THE FOREGOING SETS FORTH THE EXCLUSIVE WARRANTY FOR THE GOODS AND SERVICES PROVIDED BY SELLER. SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE EXPRESSLY EXCLUDED. Seller shall have no obligation to make repairs or replace goods where the non-conformity is attributable to normal wear and tear. This warranty is void and of no effect if: (i) the goods are not stored, handled or serviced properly; (ii) the non-conformity resulted from damages occurring after the EXW delivery by Seller, whether by misuse, accident or improper application or maintenance; (iii) the non-conformity arose from causes external to the goods, including but not limited to power or air conditioning failure; or (iv) the non-conformity has not been reported to Seller in writing within the one year warranty period.

- 11. TRAINING.** Normal training is included with the machine of (1) week of training at Seller's facility. This training includes "hands on" training of operators, programmers and mechanical and electrical technical personnel. In addition, prior to the final machine run-off at Seller's facility, a programmer or software



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engineer will be invited to spend up to two (2) days with Seller's software engineers to discuss programming and the CNC system. Seller's Service Engineers will also be provided for four (4) days to supervise the machine installation and provide operator training after completion of the installation at Buyer's facility. If additional training is required at Buyer's facility, it would be available at Seller's engineer's current day rate plus expenses.

12. TERMINATION FOR DEFAULT. Seller may terminate any Sales Order by giving notice of default to Buyer, if Buyer: (a) fails to comply with any of the provisions of the Sales Order; (b) becomes bankrupt or insolvent or enters into any agreement with its creditors, or in the event a receiver is appointed to direct the business of Buyer; or, (c) assigns this Sales Order or any obligation or right under it ("assign" shall include, without limitation, a transfer of a majority interest in Buyer or the sale of all or substantially all of Buyer's assets), or merges or consolidates with a third party.

13. CANCELLATION. Upon receipt of a written proper cancellation notice, all work on the Sales Order (or part thereof cancelled), will be stopped as promptly as reasonably possible and Buyer will be invoiced for and will pay to Seller, as liquidated damages, a cancellation charge computed on the basis of established prices for all completed items, and for incomplete items the full cost incurred by Seller plus Thirty Percent (30%) thereof, plus charges for packing and storage, but less credit similarly computed for all standard items which can be used at the time to fill another order and for the balance of the material as scrap. Deposits paid in advance and/or progress payments for orders of a machine(s) or turnkeys are applied specifically to each specific machine/turnkey and cannot under any circumstances be used as payment/offset for any other machine/turnkey.

14. INTELLECTUAL PROPERTY. The goods supplied by Seller have been developed under company sponsored programs, research and development (or have been paid for by Seller), are the standard product lines of Seller, and represent substantial investment by Seller. Buyer shall not acquire any licenses or rights to Seller know-how, configuration, patents, copyrights, trademarks, trade secrets, computer programs and technical data, and no such licenses or rights are intended or shall vest with Buyer. Buyer shall not copy, construct or reconstruct any product provided by Seller, except with Seller's prior written approval.

All copyrights, patents, trademarks, trade secrets, trade dress and other intellectual property embodied in the goods and services are the sole and exclusive property of Seller or Seller's licensors, and Buyer is not acquiring any rights thereto and shall not use or exploit such intellectual property, except for use of the software embedded in the goods in strict accordance with the license provided below. The goods, including any software embedded therein, may not be copied or modified, in whole or in part. Buyer shall not reverse assemble, reverse compile or otherwise reverse engineer the goods, software or firmware underlying any goods or otherwise attempt to learn or derive the source code, protocols, structure, algorithm or ideas underlying any goods or software embedded therein. Subject to payment in full for the goods, Seller hereby grants Buyer a non-exclusive, non-transferable, royalty-free right to use the software embedded in the goods solely in the country to which the goods are first delivered, solely for Buyer's internal use, and solely for the purpose of utilizing the goods for Seller's intended purpose.

15. RISK OF LOSS AND TITLE. Title to the goods and all risk of loss shall pass to Buyer when the goods are tendered to the carrier EXW at Seller's facility in Spring Lake, Michigan. Buyer should obtain adequate insurance to cover the goods from that time.

16. INSURANCE AND INDEMNIFICATION. Buyer agrees to indemnify, defend, and hold Seller and its subsidiaries, affiliates, and successors, and its and their officers, directors, employees, agents, and other representatives (collectively, "Indemnified Parties"), harmless against any and all liabilities, damages, losses, claims, personal or property injuries, and expenses (including, without limitation, attorneys' fees)



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which are or may be incurred by any Indemnified Party by reason of or in connection with: (a) any breach or violation of any Sales Order by Buyer; and (b) any actions or omissions of Buyer and/or its employees, subcontractors, agents or other representatives.

17. **NOTICES.** All notices required or permitted to be given hereunder shall be deemed to be properly given if delivered in writing personally, or sent by United States certified or registered mail, or sent by private overnight delivery service, addressed to Seller or Buyer, as the case may be, at the address set forth on the face of the Sales Order, with postage thereon fully prepaid. Releases, estimates, changes and specifications, and shipment notifications may be sent by confirming facsimile or e-mail, and shall be confirmed by mail as described above. The effective time of notice shall be at the time of such sending, mailing or personal delivery.
18. **AUTHORIZATIONS.** All authorizations of Seller required or permitted to be given herein shall be deemed properly given only if given in writing by an authorized representative of Seller.
19. **WAIVER.** No waiver by Seller of any breach of the Sales Order whether granting of an extension for performance hereunder shall be deemed to be a waiver of any other or subsequent breach.
20. **ENTIRE AGREEMENT; AMENDMENT.** The Sales Order, these terms and conditions, acknowledgments, and any attachments constitute an agreement between Buyer and Seller. No change to the Sales Order, the terms and conditions, or any attachments hereto or thereto and incorporated herein or therein shall be valid and binding on either party unless reduced to writing and signed by authorized representatives of both parties. Notwithstanding the foregoing, if any of the provisions hereof are deemed or adjudged invalid under any applicable statute or rule of law, such provisions shall be deemed omitted and all other terms and provisions shall continue in full force and effect.
21. **GOVERNING LAW; VENUE.** The Sales Order shall be governed, interpreted and construed by, and in accordance with, the laws of the State of Michigan without regard to the conflicts of laws provisions thereof. Any and all actions concerning any dispute arising hereunder shall be filed and maintained in the Circuit Court of Ottawa County, Michigan or the federal District Court for the Western District of Michigan. The parties specifically consent and submit to the jurisdiction and venue of such state or federal court, and irrevocably waive any objections either may have based on improper venue or forum non conveniens to any proceeding in any such court.
22. **LIMITATION OF DAMAGES.** OTHER THAN SELLER'S WARRANTY REPAIR OR REPLACEMENT OBLIGATION PROVIDED HEREIN, NEITHER SELLER NOR ITS LICENSORS SHALL BE RESPONSIBLE FOR ANY DAMAGES ARISING FROM THIS SALES ORDER OR THE GOODS, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM CLAIMS OF LOST DATA OR LOST PROFITS, INCLUDING WITHOUT LIMITATION THOSE ARISING FROM ANY DEFECT, FAILURE, NONCONFORMITY OR MALFUNCTION OF GOODS, WHETHER SUCH CLAIM OR SUCH DAMAGE IS BASED UPON WARRANTY, CONTRACT, TORT OR OTHERWISE. THIS LIMITATION SHALL APPLY REGARDLESS OF WHETHER ANY SUCH DAMAGES WERE FORESEEABLE. IN ADDITION, SELLER'S LIABILITY HEREUNDER AND WITH RESPECT TO THE GOODS SHALL BE LIMITED TO THE ACTUAL AMOUNT PAID BY BUYER UNDER THE SALES ORDER.
23. **EXPORT REQUIREMENTS.** The items quoted along with their warranty are for use only within the United States of America. Buyer must inform Seller and the U.S. Department of Commerce and/or U.S. State Department prior to any changes of the location of the machine(s) outside of the United States of



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America that may occur. In addition, all sales are pending any applicable licensing that may be deemed necessary by the U.S. Department of Commerce or the U.S. State Department to provide these goods and services. These goods, technology, or software were/will be exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.

24. **CHANGES TO DESIGN.** The designs and specifications of all products sold by Seller are subject to change without notice and, in the event of any such changes, Seller shall have no obligation to make similar changes in a product previously ordered by Buyer.
25. **SURVIVAL.** The obligations of Sections 5, 7-8, 10, 14-19 and 21-24 shall survive the cancellation, termination, or completion of the Sales Order.
26. **PRIORITY.** If any of the terms set forth herein, other than Sections 14, 16, and 21-24, conflicts with any terms set forth on the face of the Sales Order that incorporates these terms by reference, then the terms on the face of such Sales Order shall control with respect to the Sales Order. In the event of a conflict, the order of priority is as follows: (1) typed or handwritten provisions on the face hereof; (2) attachments or exhibits; and (3) these terms and conditions.



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