

## **TERMS AND CONDITIONS**

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1.) AGREEMENT DOCUMENTS- the following terms and conditions apply to Neosource's quotation and any additional order(s) subsequently received and/or accepted by Neosource. These terms and conditions constitute the complete agreement between NeoSource and Buyer and NeoSource limits its offer to these terms and rejects any other terms and conditions offered by buyer.

If as a result of NeoSource's quote, Buyer places an order with NeoSource, Buyer hereby acknowledges that the terms and conditions on Buyer's purchase order are subordinate to the terms and conditions of NeoSource. This agreement may not be modified unless specifically agreed to in writing by a duly authorized representative of NeoSource. These terms and conditions supersede all terms and conditions contained on Buyer's order and are only superseded by terms on the face of this agreement.

2.) QUOTATION- NeoSource's quotation is for immediate acceptance and is subject to withdrawal at any time with or without notice. Prices are based upon existing conditions and should there be (1) an increase in labor and/or material or processing costs, or (2) a clerical error made in pricing, NeoSource reserves the right to withdraw this quotation or adjust prices accordingly. Price in effect at date of shipment of goods shall apply; NeoSource may increase or decrease quoted price at any time prior to shipment upon giving prior notification to Buyer. When buyer requires tests or inspections not normally provided by NeoSource, Buyer will be charged for the cost of the same plus handling, packing, and freight, if any. Any pricing changes resulting from changes in Buyer's specifications or quantities will become effective immediately upon NeoSource's acceptance of such charges. Any charge in export or import duties or tax, or in freight or insurance rates, is for Buyer's account.

3.) ORDER ACCEPTANCE- All orders are subject to acceptance or rejection by NeoSource. Any order accepted by NeoSource cannot be countermanded, revised, or canceled without NeoSource's written consent and upon such terms that will indemnify NeoSource against any loss. The word "loss" as used herein shall include, but not limited to, cost of materials, changes in price of materials, dies, special machinery, tools, work in progress, outside processing, jigs and fixtures built or purchased to complete the order, and all parts in progress fabricated in whole or in part by Buyer's previous authorization. NeoSource shall not be liable for loss, theft or damages of any kind or nature whatsoever of, and / or to materials, product and parts supplied by the Buyer. NeoSource's liability for any finishing errors, treatment errors and any other processing errors shall not exceed the value of the finishing, treatment or process undertaken by NeoSource. The forgoing limitations shall apply notwithstanding the negligence of any direct or indirect employee of NeoSource.

4.) PAYMENT- NeoSource shall have the continuing right to approve Buyer's credit. NeoSource may at any time demand advance payment, satisfactory security or a guarantee or prompt payment. If Buyer is either unable or unwilling to give the payment, security or guarantee demanded, NeoSource might terminate this Agreement, refuse to deliver any undelivered goods and Buyer shall immediately become liable to NeoSource for the unpaid price of all goods, delivered or undelivered. BUYER AGREES TO PAY NEOSOURCE ALL COSTS OF COLLECTION OF OVERDUE INVOICES, including, but not limited to, travel expenses, meals, boarding, time lost from work, expert witness expense, collection agency costs and attorney's fees, Buyer will also be liable for storage charges for unshipped or returned goods, freight charges, rework charges and interest at the lesser of 1 1/2% per month or at the maximum legal rate on all past due owed from the date such invoice became past due. NeoSource may at any time alter or suspend credit, refuse to ship parts, or cancel unfilled orders when, in its opinion, the financial position of the Buyer or the status of its account warrants such action, or if: (1) Buyer files for voluntary petition in bankruptcy; (2) an involuntary bankruptcy petition is filed against Buyer; (3) a receiver or trustee is appointed for the Buyer; or (4) Buyer executes an assignment for the benefit of creditors; (5) if, in NeoSource's opinion, Buyer's financial condition changes or changes in the personnel jeopardize Buyer's ability to make payment. While the terms on this quote may state 30 days, Buyer acknowledges that that credit is a privilege and not a right, and NeoSource may demand payment in advance prior to acceptance of Buyer's order. When credit is extended, terms commence from the earlier of either invoice date or date of shipment. Notwithstanding the foregoing, all invoices for dies and tooling are due upon receipt of invoice. Discounts if any offered by NeoSource will be based upon the earlier of either invoice date or date of shipment. The foregoing payment shall apply unless expressly stated to be firm on the face hereof. Buyer's failure to maintain credit acceptable to NeoSource is one of the "grounds for insecurity", invoking Commercial Code, § 4-2-609. Buyer shall pay all sales, use, excise, or other taxes presently or hereafter payable in respect to this transaction. In the event payment is not received within terms by NeoSource, Buyer shall be liable for interest charges at the lesser of 1 1/2% per month or the maximum legal rate allowed by law, with such charges accruing from the first date the invoice became past due until the date payment is ultimately received by NeoSource. Interest is calculated on a thirty- (30) day month (a "360-day" year).

5.) DELIVERY AND TRANSPORTATION- Upon due tender of goods for delivery at the F.O.B. point, all risks of loss or damage and other incidents of ownership pass to Buyer. Buyer is responsible for all C.O.D. charges and will also be held liable for freight, handling, and storage charges in the event Buyer is, for any reason, unable to accept a C.O.D. shipment.

6.) DELAYS- All estimated production, shipping, processing and delivery dates are at best approximations based upon the conditions at the time of order acceptance by NeoSource, NeoSource will make reasonable efforts to make shipments in accordance with specified delivery schedules, but NeoSource does not assume any liability for any damages arising out of or owing to any delays whatsoever, in fulfilling delivery schedules. NeoSource reserves the right to ship 15 days ahead of schedule delivery dates. Back shipments and/or replacement orders will be deemed separate transactions and neither failure in shipment, or shortage in quantity or other defect in shipment shall in any way affect the obligations of Buyer as to any other shipment. Buyer agrees to accept delivery upon notice of readiness from NeoSource, and Buyer shall be liable for freight, storage, handling costs, and any other expenses or losses incurred by NeoSource as a result of Buyer's inability or refusal to accept said delivery or Buyer's failure to furnish NeoSource with written instruction.

7.) PRODUCT ACCEPTANCE- All goods received by the Buyer shall be deemed accepted as to quality and specifications unless objection is communicated to NeoSource in writing within 10 days after receipt of goods.