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TERMS AND CONDITIONS OF SALE

I. General

The Terms and Conditions (the "Terms") apply to the sale by B & D Thread Rolling, Inc. (the "Company") of products (the "Products"). The Terms are an integral part of the quotation prepared and delivered to you ("Customer") by the Company. The quotation constitutes an offer on the part of the Company to sell the goods as described in the quotation. Our offer is expressly conditioned upon Customer's assent to all of the terms and conditions in the Terms and the quotation. In the event that Customer's acceptance or any purchase order conflicts with, varies or supplements the Terms, the Company hereby objects to such provisions and the Terms will govern, and the Customer's conflicting, varying or supplemental provisions are rejected and will be null and void. Unless prior written agreement is reached, it will be understood that the Company's Products will be sold to Customer in accordance with the Terms.

II. Warranty

The Company warrants that the Products manufactured by it and delivered to Customer will follow good manufacturing practices in the industry as set forth by the American National Standard Institute and will be free of substantial defects for a period of twelve months from the date of delivery. Customer must promptly report any failure to conform to this warranty in writing to the Company within the twelve-month period. If the Company receives timely notice, it will either repair or replace any defective Products. Customer must store, install and maintain such Products in accordance with good industry practices and any specific recommendations of the Company. The customer must maintain production/lot traceability. Failure to do so may void the Company warranty. The Company will not be liable for any repairs, replacements, or adjustments to the Products, or any costs of labor performed by Customer or others without the Company's prior written approval. If Customer claims that any Products are defective or fail to meet the Product specifications, Customer must return these Products to Company for evaluation and testing. The failure to return Products claimed to be defective voids this warranty. The effects of corrosion, erosion and normal wear and tear are specifically excluded. Each claim will be evaluated, and consideration will be determined on a case-by-case basis by the B & D Thread Rolling, Inc. Management Team.

EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION II, WHICH ARE LIMITED WARRANTIES AND THE ONLY WARRANTIES MADE BY THE COMPANY, THE PRODUCTS ARE PROVIDED STRICTLY "AS IS," AND THE COMPANY MAKES NO ADDITIONAL WARRANTIES, EXPRESS, IMPLIED, ARISING FROM COURSE OF DEALING OR USAGE OF TRADE. ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY DISCLAIMED BY THE COMPANY AND ARE EXCLUDED BY THE PARTIES.

Correction by the Company of nonconformities, in the manner and for the period of time provided, will constitute fulfillment of all liabilities of the Company for nonconformities, whether a claim is based on contract, warranty, negligence, indemnity, strict liability or otherwise with respect to or arising out of such Products. Customer must not use the Products which are claimed to be defective. Any such use of the Products will be at Customer's sole risk and liability. Company will use commercially reasonable efforts to ensure that shipments of Products meet the quantities specified in Customer's order. Product

quantities may vary because of processing variances, however, and a shipment of Products by Company to Customer that are within ten percent (plus or minus) of the quantity ordered will meet the quantity specifications of Customer's order unless otherwise specifically agreed by Company.

The warranty provided above shall be void if the non-conformity or defect at issue in the Product results from or relates to any improper, incorrect or unauthorized handling, storage, installation, shipping, use, maintenance, removal, modification, services or repair, specifically including any act by Customer such as but not limited to heat treating, plating, or performing any other process on the Product.

III. Limitation of Liability

THE TOTAL LIABILITY OF THE COMPANY WITH RESPECT TO THIS CONTRACT OR THE PRODUCTS, WHETHER BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHERWISE, WILL NOT EXCEED THE PURCHASE PRICE OF THE DEFECTIVE PRODUCTS PAID BY CUSTOMER UPON WHICH SUCH LIABILITY IS BASED.

IV. Limitations on Damages

IN NO EVENT WILL THE COMPANY BE LIABLE TO CUSTOMER, ANY SUCCESSORS IN INTEREST OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES ARISING OUT OF THIS CONTRACT OR ANY DEFECT IN, OR FAILURE OF, OR MALFUNCTION OF THE PRODUCTS, WHETHER BASED UPON LOSS OF USE, LOST PROFITS OR REVENUE, INTEREST, LOST GOODWILL, WORK STOPPAGE, IMPAIRMENT OF OTHER GOODS, LOSS BY REASON OF SHUTDOWN OR NON-OPERATION, WHETHER OR NOT SUCH LOSS OR DAMAGE IS BASED ON CONTRACT, WARRANTY, NEGLIGENCE, INDEMNITY, STRICT LIABILITY OR OTHERWISE AND REGARDLESS OF WHETHER THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

V. Survival of Limitations

THE FOREGOING LIMITATIONS OF LIABILITY WILL SURVIVE AND APPLY NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDIES SPECIFIED IN THE TERMS.

VI. Claims

Claims by Buyer for shortages or errors in delivery must be made within five (5) days after the delivery of the goods. Goods are sold subject to the standard manufacturing practices of the Company's suppliers. Goods purchased on the basis of weight are subject to customary quantity variations recognized by practice in the industry. See Warranty section above.

VII. Returns

No goods shall be returned for credit or reprocessing without charge without first obtaining written consent (RMA) from an authorized Quality associate of the Company.

VIII. Shipment

Delivery terms are F.O.B. Taylor, MI. Buyer shall assume all risk of loss or damage upon delivery by a 3rd Party carrier at the point of shipment. Scheduled dates of delivery are determined from the date of the Company's acceptance of any order or orders placed by Buyer and are estimates of approximate dates of delivery, not a guaranty of a particular date of delivery. The Company shall not be liable for any delinquent shipping costs unless obligated under contract. The Company shall not be liable for any damages caused by failure or delay in shipping the Goods via their own vehicles if such failure or delay is due to force majeure or any other cause beyond the reasonable control of the Company.

CANCELLATION POLICY

B & D Cold Headed Products produces parts according to each customer's unique specifications. Upon receipt of an order or release, B & D immediately begins the process of ordering material, tooling and supplies as well as scheduling labor. Sub-supplier lead times must be considered when deciding when to purchase each component in the process. Such purchases must often be made many weeks or even months ahead of the production date.

If a customer decides to cancel an order or a portion of an order, B & D will work with the customer to immediately minimize the cost incurred for the cancelled order. Any costs already incurred and irreversible at the time of cancellation will be charged to the customer and will be due to B & D upon delivery of an invoice from B & D to the customer. Cancellation charges may be invoiced in multiple installments as costs are invoiced to B&D.

CANCELLATION WINDOW – 120 DAYS

The cancellation window in terms of number of days prior to fulfillment for purchase orders is a continuously changing number which B & D tries to minimize. Currently, this window is at 120 days for many products and could even be longer when special materials or tooling are required. Therefore, we encourage customers to plan with the assumption that any cancellation within 120 days will lead to significant cancellation charges as described in the Cancellation Policy.