



## TERMS & CONDITIONS

### 1. GENERAL

THE TERM "SELLER" as used herein shall mean Fred R. Rippey, Inc., and may be variously referred to as "us" or "our." The "Purchaser" as used herein shall mean the buyer and may be variously referred to as "you" or "your."

This Order Acknowledgment (also referred to herein as "Agreement") is our only method of acceptance of an order. Our acceptance is limited to the terms and conditions of this Order Acknowledgment. Your acceptance of delivery of goods we ship hereunder shall serve as your agreement that this document constitutes the final, definite, complete and exclusive agreement between us with respect to the goods. There are no oral or written, express or implied representations, affirmations, promises, commitments, contracts, understandings or agreements other than those set forth in this Order Acknowledgment. All proposals, negotiations, representations, affirmations, promises, commitments, contracts, understandings or agreements, if any, made at any time are superseded by this Order Acknowledgment including the provisions set forth in this Order Terms and Conditions. Except for the provisions set forth in the Quote Terms and Conditions, which are hereby expressly incorporated by reference, any additional or conflicting terms in your Purchase Order or your other documentation, if any, shall be deemed not accepted by Seller unless Seller's acceptance is in writing and specifically refers to each such additional or conflicting term.

### 2. QUOTES, PRICING, DISCOUNTS, SCHEDULING

- a) Quoted prices are valid for 30 days unless otherwise stated on quote. Lead time is ARO (after receipt of order) and is based on current raw material availability and capacity and is subject to change at the time of order.
- b) Prices are subject to change at any time by Fred R. Rippey, Inc. We reserve the right to change product pricing outside of the 30 day quote validity as current prices are subject to change.
- c) When quantity discounts are quoted, they are computed separately for each type of product or equipment and are based on the quantity of each type and each size ordered at any one time for immediately delivery. If any order is reduced or canceled, it is agreed that prices will be adjusted upward to the higher prices, if applicable, for the balance of the order.
- d) Orders are to be scheduled for delivery within 12 months from order date unless agreed to by Rippey. Once a purchase order has been placed, any rescheduling or changes to the purchase order must be approved by Rippey. Customer may not reschedule or make changes unless approved in writing by Rippey.

### 3. ACCEPTANCE BY FRED R. RIPPY, INC.

- e) All purchase orders are required to go through a purchase order review per AS9100, which may take up to 3 days.
- f) Acceptance of an order by Seller occurs when both the order has been received by the home office of Fred R. Rippey, Inc., Whittier CA and when it has been approved. Approval is accomplished when, and only when, a representative of Fred R. Rippey, Inc. emails the Order Acknowledgment to the Purchaser. All orders for goods from Fred R. Rippey, Inc. shall be accepted by Fred R. Rippey, Inc. exclusively in Whittier, CA.

### 4. PAYMENT- Payment terms are stated on the face of this Order Acknowledgment as well as hereunder.

- a) All payments for goods furnished hereunder shall be made upon the basis of goods delivered as shown in our delivery tickets, whether signed by you or not and our other delivery records. We cannot agree to accept payment on the basis of product you install because we have no control over the handling of our product after delivery.
- b) You will receive invoices from us showing amounts due. If you do not notify us of any discrepancy regarding the amounts stated thereon by the due date of each invoice, your actions shall constitute an irrevocable acceptance of the goods and an admission that the amounts stated are due and that the goods fully comply with all terms, conditions, specifications or other requirements of your Purchase Order.
- c) If Purchaser fails to make any payments due hereunder or under any other agreement with us or, if at any time, we have basis for any doubt about your intention or ability to pay, Seller may, without prejudice to other remedies, defer further shipments, cancel the unfilled portion of the order, and apply any payments from you in such proportion as we deem proper to your various accounts, all until you cure this default or basis for doubt.
- d) The prices for the products which are the subject of this Order Acknowledgment, are based on current costs effective as of the date of acceptance by Seller and are guaranteed until shipment of product.
- e) Unless different terms are expressly set forth on the face of this Order Acknowledgment, all payments are due Net 30 days from date of invoice, subject to approval by Rippey of amount and terms of credit Rippey reserves the right to require payment in advance of COD, or otherwise modify credit terms either before or after order acceptance of any order. Any reschedule of shipments by buyer should be made 30 days prior to original ship date, unless previously agreed to by Rippey. When partial shipments are made, payments shall become due in accordance with the designated terms of the invoice.
- f) Interest of 1-1/2% per month up to ten percent (10%) per annum will be charged to all past due accounts. Purchaser agrees that all such charges are applicable and due as payment for any past due account.
- g) Purchasers who have authorized use of credit, debit or charge cards for any deposit or payment hereby authorize Seller to charge that credit card for any outstanding balance that remains unpaid after 15 days from the date payment becomes due under this Order Acknowledgment. This authorization is continuing until final payment is received by Seller.
- h) A 3% convenience fee will apply to all credit card payments.

### 5. SHIPMENT, TITLE, RISK OF LOSS

- a) After acceptance by Seller, no order may be canceled or modified without Seller's prior written approval. Title to, and risk of loss in, the products shall pass to Purchaser at Seller's plant (FOB Rippey) and/or facilities upon loading of the products onto the carrier, unless otherwise agreed to on the seller's quotation.
- b) In the absence of specific shipping instructions, Rippey will select the carrier.
- c) Deliveries shall be made in accordance with a delivery schedule, which may be revised by mutual agreement. We cannot guarantee precise delivery dates and we shall not be responsible for delays in deliveries nor liable for any losses, expenses or damages, including liquidated damages or penalties of any kind which you may incur.
- d) Purchaser agrees that partial shipments shall be permitted and that Seller may invoice each shipment separately.
- e) Claims against Rippey for shortages must be made within 7 days after arrival of shipment.

### 6. CLAIMS

Damages in transit: Shipments must be inspected by you before unloading to ascertain any damage in route. Charges for inspections or tests are your expense. Damage claims will not be accepted after goods are unloaded. Claims for shortages or damages must be made by notation on the face of the freight bill or on the face of the delivery ticket at the time of unloading. The carrier, when accepting products at our plant or facilities, is responsible for damages in transit and all claims for damages in transit shall be made promptly to the carrier by you. Our responsibility terminates when the carrier accepts our products for transportation.

- a) Claims for shortages or defective materials or non-conformity to specifications, which would be revealed by prompt inspection, must be made in writing to us immediately and, in any event, within 7 days after you receive the materials so that any such claim can be investigated promptly.
- b) Claims of defective materials or non-conformity to specifications not discernable by you from prompt inspection upon delivery, first discoverable by you upon installation of the products, or first discoverable upon failure of a portion of the product to pass any specified test, will be investigated promptly, provided you give us notice in writing within 7 days after completion of the installation or testing. If upon such investigation satisfactory evidence is received establishing the defect or non-conformity and that any failure was the result of the quality of the product as delivered, your claim will be allowed in writing subject to the limitations of this Agreement.
- c) No claim will be allowed except as provided above.

### 7. WARRANTY AND LIMITATIONS

- a) Seller accepts no responsibility for design of the product or installation of the products delivered. Any defects in product design or installation of products voids any and all warranties, expressed or implied, except warranty of title.
- b) The goods sold by Seller are all special or custom items and are not subject to return for credit. Approval of returns for credit shall be the decision of Seller in its sole and exclusive discretion and in accordance with Section 9 "Cancellation Charges" of this Order Acknowledgment.
- c) All goods are sold "as-is." seller disclaims any implied warranty of merchant ability or fitness for a particular purpose. Seller will, as buyer's sole and exclusive remedy and at seller's option, replace or, without replacement, render credit for any goods which, if properly selected, stored, processed and used by buyer shall prove defective within ninety (90) days from the date of shipment or, if the claim is for shortages or defective materials or non-conformity to specifications, which would be revealed by prompt inspection, within 7 days after you receive the materials. Seller's goods shall be deemed defective only to the extent that they materially deviate from the applicable specifications, as agreed to and accepted by seller.
- d) Samples supplied by Seller are solely for the purpose of evaluating the suitability of such material or services for potential use and, as such, the samples are not intended to serve as warranties of any type, either express or implied. Purchaser shall have the sole responsibility for selection and specification of the goods or services appropriate for the end use of such goods or services, even if Purchaser has informed Seller of the end use for such goods or services. Purchaser acknowledges that it alone has determined that the materials purchased or processed hereunder will suitably meet the requirements of their intended use.
- e) Seller shall not be liable to buyer or any other person or entity for, and buyer releases Seller from, any and all liability for negligence by Seller with respect to any activity engaged in by Seller with regard to the goods or services hereunder and from any and all liability imposed upon manufacturers or sellers of goods or services under any product liability theory or under similar legal theory. Seller shall not, under any circumstances including, but not limited to, delay in delivery, breach of contract, breach of warranty, negligence, tort, strict liability, or use of materials sold or processed by Seller, be liable to buyer or any other party for any special, incidental, indirect or consequential damages, liquidated damages, penalties or for losses of any kind whatsoever. In no event shall Seller's liability for defective material sold to buyer exceed the purchase price thereof.
- f) To the fullest extent of the law, any action arising from this Agreement, regardless of the theory of recovery, shall be commenced by you, if at all, within one (1) year after the cause of action has arisen.

### 8. RMA

- a) Rippey parts have a 1 year warranty within 1 year from the shipment date.
- b) No parts can be returned without Rippey issuing a return material authorization number (RMA), which will be issued at Rippey's discretion and is valid for 30 days. All parts must be returned within 30 days of RMA issuance.



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- c) Parts returned will be tested and inspected by Rippy before repair, replacement parts or credit are issued.
- d) Rippy assumes no responsibility for the interface of its product with any other product.
- e) Warranty does not extend to any part which has been subject to misuse, neglect, accident, improper installation or has been repaired or altered at any place other than Rippy.\

### 9. TOOLING

- a) Unless otherwise expressly provided, Rippy shall retain title to and possession of any models, patterns, dies, molds, jigs, fixtures, tools and test equipment made for or obtained for the performance of the order.
- b) Purchaser agrees to pay Rippy the amount of any Federal, State, City or other tax on any quoted new tooling that will reside on Rippy premises.

### 10. INDEMNITY

Purchaser expressly agrees to indemnify, defend and hold harmless Seller against all claims, loss, expense, including attorney's fees, and damages arising from patent, trademark or trade name infringement in any way arising out of the goods or services provided hereunder in accordance with Purchaser's order, specifications or instructions, and against all claims, loss, expense, including attorney's fees, and damages arising from bodily injury to any person including death resulting therefrom and damage to property caused by any products described herein following delivery, including if caused by the negligence or willful acts of Purchaser, its agents or employees, regardless of whether the claim, loss, expense, or damages are caused or claimed to be caused in part by Seller.

### 11. FORCE MAJEURE

Purchaser agrees that any delay or failure on the part of Seller to provide or install the product equipment when due, caused by act of God, fire, labor shortage, riot, civil disturbance, war, explosion, accident, pandemic, flood, storm, the elements or other catastrophe, strike, labor dispute, civil or military authority, material shortage, priority, requisition, allocation or any other governmental restriction or limitation; or by failure of delay of transportation, shortage of or inability to obtain supplies, equipment, fuel, or labor; or by compliance with any order or request of the United States or any department, board or agency thereof; or in the event of any legislative, executive, or judicial act of any political or governmental authority that substantially affects Seller's operations, or in the event Seller suspends or discontinues business for any reason or any other causes beyond the control of Seller, whether of a similar or dissimilar nature, shall not subject Seller to any liability to the Purchaser. Time for completion of this contract shall be extended for such time as may be necessary to cover any non-scheduled work stoppage or delay.

### 12. CANCELLATION CHARGES

Orders accepted by Seller are non-refundable and are not subject to cancellation for any reason whatsoever after work has been started on such orders. If work has not been started on your order, and Seller has approved the cancellation, in writing, Purchaser shall be liable for, and shall pay to Seller, in advance and as an express condition precedent to Seller's approval of any cancellation, the full value of work completed, work-in-process, tooling, raw materials, manufacturing aids and other material produced as a part of or acquired for the work terminated, anticipated profits and all other charges incurred in connection with the order; each on the basis of cost to Seller plus handling and overhead charges, all as conclusively and finally determined by Seller as to amount. Cancellations may not be made without the written consent of Rippy. The price of all parts delivered and all items which have been completed, but not yet delivered, will be adjusted upward to the applicable quantity break.

### 13. GOVERNING LAW/FORUM SELECTION/DISPUTE RESOLUTION

- a) The contract formed pursuant to the terms, conditions and specifications of this Order Acknowledgment and the obligations thereby imposed on Seller and Purchaser shall be governed and construed according to the laws of the State of California without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of California. Purchaser hereby expressly and irrevocably agrees that any disputes or controversies arising out of, relating to or concerning this Agreement and the rights and obligations hereunder shall be commenced in either the Courts of Los Angeles County, or the United States District Court for the Central District of California, and further irrevocably consents to jurisdiction of those courts and service of process in accordance with provisions of laws of the State of California.
- b) Seller and Purchaser agree to mediate any dispute or claim arising between them out of this Agreement before resorting to court, arbitration, or other forum. In any action, proceeding, or arbitration between Seller and Purchaser arising out of this Agreement, the prevailing party shall be entitled to reasonable attorneys fees and costs from the non-prevailing party; provided however, if any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that party shall not be entitled to recover attorneys fees.

### 14. GOVERNMENT/EXPORT COMPLIANCE

- a) All technical data, services, software and/or hardware furnished under or in connection with this order are subject to US export or import control laws and regulations and may be subject to export or import laws and regulations of other countries. Each Party agrees to strictly comply with all such laws and regulation
- b) Fred R. Rippy, Inc. is an ITAR registered company and is subject to US Export Control Laws.

### 15. ADDITIONAL QUOTE CONDITIONS

- a) Country of origin: USA
- b) Quoted prices are valid for 30 days unless otherwise stated on quote
- c) Additional charges will apply for Source Inspection requests
- d) Lead time is based on current raw material availability and capacity and is subject to change without notice
- e) Lead time does not include any customer's FAI approval process or Source Inspection appointment
- f) If heat treat is required, dimensions apply prior to heat treat
- g) For any insulating material, dimensions will be as stamped by the lamination tool.
- h) If laminations & end lamination are ordered as a set, pricing will based on this request
- i) Unless specifically identified in our quote, mechanical, chemical and electrical testing of laminations at any point during our manufacturing process is not performed by Rippy and is not included in our scope.
- j) Prices quoted are based on one delivery
- k) Any exceptions listed on quote must be noted on the purchase order
- l) All orders are non-refundable and non-cancelable unless accepted and approved by Rippy in writing
- m) FOB Rippy (Whittier, CA)
- n) All quotes and orders are subject to Fred R. Rippy, Inc. Order Acknowledgment Terms & Conditions, incorporated herein by this reference

### 16. MISCELLANEOUS

- a) Seller's failure to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of that or any other provision of any of the Seller's rights under this Agreement, nor shall it constitute a waiver by Seller of any subsequent default by you in the performance of this Agreement. You agree to pay any and all costs, expenses and attorney's fees which we may incur or become liable for by reason of our enforcing or attempting to enforce the terms of this Agreement, including, but not limited to, lien claims and foreclosure of lien claims and post-judgment collection efforts.
- b) Should any part or provision of this Agreement be declared invalid, unenforceable, illegal or in conflict with any law, the validity and enforceability of the remaining portions or provisions shall not be affected.
- c) At minimum, with each order, the Seller will supply a Cert of Conformance to certify material as supplied. It is the Buyer's responsibility to identify on their purchase order, in writing, any additional certifications required such as Mill Certifications, Lab Test Results, Material Test Reports or any certifications for special processing as required to fulfill the order. The Seller reserves the right, for various and specific reasons, to withhold any information beyond the Cert of Conformance if not required by the Buyer in writing on the purchase order unless otherwise agreed and accepted by the Seller.
- d) This Agreement shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, receivers, legal representatives, successors and assigns of the parties. This Agreement, however, shall not be construed, nor is it intended, to confer third-party beneficiary rights upon any person, nor create a relationship between any other persons except between Seller and Purchaser, nor create a partnership or any relationship other than as seller and buyer.
- e) The Seller will not accept government flow downs, including ratings, unless acknowledged in writing.
- f) Any checks received from Purchaser may be accepted on account and with full reservation of rights to collect any balance, notwithstanding any contrary legend or statement contained on or accompanying the check.
- g) Seller is not responsible for errors made in any of its publications whether stenographic, clerical, or printer's error.
- h) New customer order processing:
  - 1. The Seller requires 1-3 days to process credit approvals.
  - 2. If the Purchaser requires an expedited delivery, the Seller will accept credit cards, wire transfer or checks at Purchaser expense by express delivery as method of payment.

### 17. ITAR: Destination Control Statement:

These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulation.