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TERMS AND CONDITIONS OF SALE

DEFINITIONS.

“Seller” means the legal entity identified as the seller in the quotation, proposal, order acknowledgment, or invoice.

“Buyer” means the person or legal entity purchasing goods and/or services from Seller.

“Offer” means any quotation, proposal, price sheet, order acknowledgment, written pricing, or other offer issued by Seller relating to the sale of goods and/or services.

“Contract” means the agreement between Buyer and Seller consisting of the applicable Offer, Seller’s order acknowledgment (if any), and these Terms and Conditions.

“Goods” means all goods, items, products, and, where applicable, services sold or provided by Seller to Buyer under the Contract.

Seller’s acceptance of any Offer is expressly conditioned on approval of such Offer by Seller’s credit department and Buyer’s acceptance of the following Terms and Conditions, which Terms and Conditions cannot be altered or amended without prior written consent of an authorized officer or representative of Seller. Seller objects to the inclusion of any different or additional terms proposed by Buyer in any purchase order or other documents. Any act by Seller in manufacturing or delivering any Goods for or to Buyer shall not constitute an acceptance of additional or different terms in Buyer’s purchase order or any other document. Any such additional or different terms shall be null and void against Seller. If a Contract is not earlier formed by mutual agreement in writing, acceptance of any Goods furnished hereunder shall be deemed to be assent to and acceptance of the Contract, including all the Terms and Conditions stated herein. Acceptance of the following Terms and Conditions shall be binding upon Buyer and Buyer’s permitted successors and assigns.



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1. **PRICES.** Seller's prices specified in the Offer are subject to the following:
 - a. Prices quoted are based on the cost of labor and materials as of the date of the Offer and on the volume indicated. Seller shall have the right to adjust prices to reflect (i) any subsequent change(s) in cost of labor and/or materials affecting production costs of the Goods sold hereunder and (ii) smaller volumes than otherwise indicated.
 - b. Unless otherwise stated in writing by Seller, regardless of destination, all prices quoted are in U.S. dollars and are based on packing for domestic shipment. Packing for international shipment may be additional.
 - c. Unless otherwise stated in writing by Seller, all prices quoted shall be exclusive of transportation from the F.O.B. point, insurance, taxes (including without limitation any sales, use or similar tax, and any tax levied on or assessed to Seller after delivery by reason of Seller's security interest in the Goods), license fees, customs fees, duties and other charges related thereto. If Seller pays any such shipping charges, premiums, taxes, fees, duties or other charges, Buyer will promptly reimburse Seller therefore. Buyer shall report and pay any and all such shipping charges, premiums, taxes, fees, duties, and other charges related thereto, and shall hold Seller harmless there from.
 - d. Typographical and clerical errors are subject to correction.
 - e. Prices quoted are for the Goods specified only and do not include technical data or proprietary rights of any kind.
 - f. Unless otherwise stated in writing by Seller, prices do not include any special inspections which may be required and for which Buyer hereby agrees to pay Seller.
2. **TERMS OF PAYMENT.** Unless otherwise expressly stated by Seller in writing (a) with regard to manufactured goods, payment terms are net cash thirty (30) days from the date of invoice and (b) with regard to gauges, molds, tools, jigs, and similar items, payment terms are one-third (1/3) upon order date, one-third (1/3) upon notice from Seller of receipt of the items by Seller, and one-third (1/3) upon approval by Buyer of the items and the sample goods manufactured therewith. Past due balances will be subject to a service charge of one and one-half percent (1.5%) per month (equivalent to 18% per annum), or, if less, the maximum rate permitted by applicable law. Partial shipments will be billed as made and payments therefore are subject to the above terms.
3. **DELIVERY.** Transportation will normally follow Buyer's shipping instructions, but Seller reserves the right to select the means of transportation and routing when Buyer's instructions are deemed unsuitable. Unless notified to the contrary by Buyer, Seller may insure the full value of the Goods or declare full value thereof to the transportation company at the time of delivery and all such freight and insurance costs shall be for Buyer's account. All shipments are F.O.B. Seller's facility at which the goods are manufactured. Risk of damage or loss is Buyer's responsibility after delivery by Seller to a carrier for shipment or leased warehouse. Estimates of shipping dates are approximate, representing Seller's best judgment when made. Seller shall make all reasonable efforts to meet dates indicated for delivery or other performance, but Seller shall not be liable for any delays in shipping or in the time in which shipments reach Buyer.



4. **ACCEPTANCE OF GOODS & DEFECTIVE MATERIALS.** Samples and finished goods shall be deemed approved and accepted by Buyer if written notice of rejection is not received by Seller within ten (10) days after the date of delivery. Before any rejected Goods are returned to Seller, prior written consent of an authorized officer or representative of Seller and Seller's instructions regarding how and where Goods should be returned must be obtained. No credit or replacement will be issued on any goods which have been altered or defaced in any way, or upon which an additional process has been performed. Claims for shortage or rejection must be made in writing within ten (10) days after receipt of goods. Merchandise shall be returned only upon prior written consent of an authorized officer or representative of Seller. For agreed upon defective product, Seller must issue a Material Return Authorization ("MRA") number. This number should be put on any correspondence relating to defective product. In the exceptional instance where Seller agrees to rework or inspection charges for product, these charges must be authorized by Seller in writing prior to beginning any work or incurring any charges whatsoever. No responsibility shall be assumed on any parts after having been processed in any manner in Buyer's facility. Nor will Seller pay any claims for labor or material charges or damages incurred by Buyer because of the defective material. Nor will Seller accept, nor give credit for, any accumulated defective product. If Seller agrees in writing to accept the return of parts, any parts to be returned are to be carefully repacked in the original cartons, in the same manner and same condition as originally shipped.
5. **FINANCIAL RESPONSIBILITY.** Whenever Seller in its sole discretion determines that Buyer is not financially responsible, Seller shall have the right to (a) require reasonable progress payments for work in process or in the absence of such progress payments, to terminate its obligations, without affecting the obligation of Buyer to pay for Goods delivered and work in process as of such termination and/or (b) to decline to make deliveries except for cash. In either case, Seller shall have no liability to Buyer therefore.
6. **SECURITY INTEREST.** Seller reserves and Buyer grants a purchase money security interest in all Goods which are the subject of this Offer or any Contract entered into pursuant hereto (and proceeds thereof). Such security interest secures payment by Buyer of the full purchase price for such Goods. Buyer agrees to execute such documents as Seller requests to perfect its security interest. Buyer hereby agrees that Seller has a lien on any molds or tools in Seller's possession for the amount of any unpaid account for invoiced parts. After an account has been delinquent for six (6) months, Seller reserves the right, and Buyer hereby consents, that Seller may use and sell Buyer's molds and tools or parts made therefrom. Buyer will indemnify Seller from any loss or damage resulting from infringement of patents or trademarks as a result hereof.
7. **PATENTS, ETC.** Seller assumes no obligation or liability with respect to infringements of patents, copyrights, trademarks or other proprietary rights arising out of Goods sold hereunder. With regard to any Goods made specifically for Buyer, Buyer agrees to indemnify and hold Seller harmless against any claims resulting from infringement.



8. **LIMITATION OF LIABILITY, WARRANTIES.** Notwithstanding anything to the contrary contained herein or elsewhere and subject to the provisions of paragraph 12, Seller's responsibility for losses or liabilities arising out of or related to the Goods covered hereunder and any Goods shall be limited to replacement of such Goods or issuance of a credit therefor. In no event shall Seller be liable for any special, indirect, incidental or consequential damages of any character, whether suffered by Buyer or a third party. Except as otherwise specifically provided in writing from Seller to Buyer, Seller makes no warranties with respect to the Goods covered hereunder and Seller expressly disclaims any and all warranties, express, statutory or implied, including those of merchantability and of fitness for any particular purpose.
9. **CANCELLATION.** Orders are not subject to cancellation without prior written consent of an authorized officer or representative of Seller, and Buyer agrees to indemnify Seller against all loss in the event of change or cancellation of whole or part of the order. Seller expressly reserves the right to run Buyer's entire order at Seller's convenience and hold finished product subject to Buyer's specified delivery. Buyer assumes all responsibility for such parts held in stock if original order is in any way rescinded or modified.
10. **REORDERS.** Reorders, if accepted by Seller, are considered as placed under the same Terms and Conditions as the original Contract when such reorders are not placed pursuant to a formal written order and new Offer by Seller.
11. **TOLERANCES, ETC.** Acceptable tolerances on molded goods shall be \pm (plus or minus) 0.015 inches. Unless otherwise expressly stated by Seller in writing, (a) Seller shall not be responsible for color variations in manufactured goods and (b) finish includes only such polish as is obtained from the manufacturing process.
12. **INSERTS, SUPPLEMENTAL PARTS.** Inserts or any other supplemental parts supplied by Buyer shall be delivered prepaid, F.O.B. Seller's facility. Such inserts or parts are subject to Seller's design approval, and must be uniform, accurate, and free from burrs. Seller shall not be liable for damages to molds, tools, jigs or similar items caused by defective inserts or supplemental parts, nor for manufactured parts which are made with inserts furnished by Buyer and later found defective.
13. **REWORKING.** Any reworking of dies, molds, fixtures, etc. must be done in Seller's facility. Seller cannot accept any back charges for work done by Buyer, unless authorized in writing by an authorized officer or representative of Seller. Original mold costs must be paid for before Seller will proceed with any revisions; also, each subsequent revision must be paid for before Seller can proceed with the next revision.
14. **FINISH.** Unless Buyer specifies a special finish, the finish on any piece will include only that which is obtained directly from the molding process.
15. **QUANTITY.** Seller hereby reserves the right to ship ten percent (10%) over or under the amount specified in Buyer's order.



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16. **MOLDS, TOOLS, ETC.** If special gauges, molds, tools, jigs or similar items are required, Buyer will either furnish them to Seller or purchase them from Seller. Seller will not insure Buyer's gauges, molds, tools, jigs or similar items in Seller's possession; therefore, Buyer agrees to carry adequate insurance to cover such items. Seller shall maintain all molds built by it in operating condition for the shorter of (a) their ordinary life or (b) one year after completion of the most recent production order. Buyer shall maintain all molds furnished or altered by it. Upon completion of the manufacturing process, and receipt by Seller of payment in full of all amounts owed by Buyer to Seller, such items will be delivered to Buyer upon Buyer's request and payment of delivery charges. Should Buyer desire a change made on the original specifications after the molds are started, it may be necessary to charge for the cost of extra tool work or material involved as determined by Seller. Full cost of all tooling involved shall be paid prior to production of the plastic parts ordered. Seller will assist in maintaining all molds and tools in Seller's possession, which Seller built if maintenance is limited to ordinary wear and tear. The cost of overhauling or rebuilding the tooling is Buyer's liability and will be invoiced to Buyer. If Buyer furnishes tooling, Buyer will be charged for any sampling and all maintenance costs as they occur. In consideration of molds and tools being quoted herein on a basis of labor and material only and not at their fair market value, Buyer agrees to pay a charge of thirty percent (30%) above Contract Price of said molds and tools when and if Buyer demands delivery thereof.
17. **OBSOLESCENCE.** Seller reserves the right to decide when a Buyer's mold has become inactive. Seller shall notify Buyer in writing and request disposition. After waiting a reasonable length of time for an answer, Seller shall return the mold to Buyer at Buyer's expense.
18. **DESIGN.** When requested, Seller will assist Buyer in submitting suggestions concerning design or construction of molded parts and recommend various grades of material, but Seller will not assume any responsibility or liability for the practicability of the designs, suggestions, or material recommendations, if adopted by Buyer. Any drawing or details of tooling will not be furnished to Buyer.
19. **ASSIGNMENT.** The Offer is issued only to Buyer named on the face hereof. Any assignment by Buyer of the Offer or any Contract entered into pursuant hereto shall be void without the prior written consent of an authorized officer or representative of Seller.
20. **LIABILITY.** Seller shall not be liable for loss or damage of any kind resulting from delays or inability to deliver due to causes beyond Seller's control. Such causes include, but are not limited to, acts of God, fire, labor troubles, accidents, acts of civil or military authorities, fuel, labor or materials shortages. Performance shall be deemed suspended during and extended for such time as any such circumstances or causes delay its completion.
21. **SEVERABILITY.** Any provision herein which is prohibited by the laws of any state or other jurisdiction applicable hereto shall be ineffective to the extent of such prohibition, without invalidating the remaining provisions of the Contract.
22. **SURVIVAL.** The following provisions of the Contract shall survive any termination of any Contract entered into pursuant hereto: paragraphs 7, 8, 12, and 16 and any other provisions, rights and obligations that by their sense and context are intended to survive until performance thereof.
23. **CHANGES.** No changes to, or modifications of this Offer shall be binding unless signed by an authorized officer or representative of Seller.



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24. **PRIORITY.** In the event of a conflict between any Offer, purchase order, invoice, acknowledgment, or other document and these Terms and Conditions, these Terms and Conditions shall govern.
25. **COMMERCIAL TRANSACTIONS.** To the extent the Goods are purchased by Buyer represents and warrants that the Goods are not purchased for personal, family, or household purposes, and the provisions of this Contract applicable to commercial transactions shall apply. Buyer acknowledges that Goods purchased for incorporation into other products, resale, or use in Buyer's operations constitute commercial transactions.
26. **GOVERNING LAW; VENUE.** This Contract shall be governed by and construed in accordance with the laws of the State of Arkansas, without regard to its conflict-of-laws principles. Any legal action or proceeding arising out of or relating to this Contract shall be brought in the state or federal courts located in Sebastian County, Arkansas, and the parties hereby consent to the personal jurisdiction and venue of such courts.