

CTM'S TERMS AND CONDITIONS OF SALE

Rev 1.0 November 2014

1. The prices and terms on this quotation are not subject to verbal changes or other agreements unless approved in writing by the Seller (CTM). All quotations and agreements are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond our control (i.e. acts of God). Prices are based on costs and conditions existing on date of quotation and are subject to change by the Seller before final acceptance.
2. Typographical and stenographic errors subject to correction. Buyer agrees to accept either overage or shortage not in excess of ten percent to be charged to pro-rate. Buyer assumes liability for patent and copyright infringement when goods are made to Buyers' specifications. When quotation specifies material to be furnished by the Buyer, ample allowance must be made for reasonable spoilage and material must be of suitable quality to facilitate efficient production.
3. Conditions not specifically stated herein shall be governed by established trade customer, and uniform commercial codes. Terms inconsistent with those stated herein which may appear on Buyer's formal order will not be binding on the Seller.
4. **Defective Goods:** Unless otherwise indicated goods are being manufactured and sold by Seller (CTM) on the basis of Buyer's plans, drawings, designs, specifications or other technical data. Buyer shall inspect the goods immediately following their arrival and shall, within **10 working days** of such arrival, give written notice to Seller of any claim that the goods do not conform to the Buyer's plans, drawings, designs, specifications or other technical data. If buyer should fail to give such notice, goods shipped shall be deemed conclusively to conform with the Buyer's plans, drawings, designs, specifications or other technical data, and Buyer shall be bound to pay for the goods. Buyer expressly waives any rights it might have to revoke acceptance after such 10-day period. Buyer assumes all risks and liability for the results obtained in its manufacturing, fabrication or assembly processes by use of the goods or by use of such goods in combination with other machinery, equipment, materials or substances. **SELLER MAKES NO WARRANTY THAT ANY OF THE GOODS ARE OR WILL BE MERCHANTABILITY OR FIT FOR A PARTICULAR PURPOSE. BUYER IS NOT RELYING UPON ANY REPRESENTATION OR OTHER ASSERTION WITH RESPECT TO THE NATURE OR QUALITY OF GOODS BEING SOLD PURSUANT HERETO, AND BUYER IS RELYING SOLELY UPON ITS OWN EXAMINATION AND TESTING OF SUCH GOODS.** If Buyer's timely inspection and notification to Seller reveal that any goods furnished by Seller are defective on account of faulty material or workmanship, Seller shall have the option of replacing such defective goods free of charge or returning to Buyer the net invoice price previously paid by Buyer for such defective goods. In no event shall Seller be responsible for; (a) the cost of any work done by Buyer on goods furnished hereunder (unless specifically authorized in each instance by Seller) or (b) any of Buyer's costs or expenses in testing, inspecting, or processing goods, any lost profits, injury to good will, or any other special or consequential damages.

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5. **Technical Data:** Nothing contained in any technical data forming a part of this Agreement and no changes in such technical data, shall be binding upon Seller unless approved in writing. Nothing contained in such technical data shall be deemed to be a trade secret or subject to treatment as confidential information unless disclosed to Seller in writing and claimed therein to be a trade secret or confidential information. Notwithstanding any such claim, no such technical data shall be deemed for any purposes to constitute confidential information or trade secrets if (a) generally available to the public at the time of disclosure or thereafter (except as a result of an unauthorized disclosure by Seller); (b) known to Seller prior to its receipt from Buyer or independently developed by Seller outside the scope of this Agreement; or (c) at any time acquired by Seller from a source other than Buyer, which source is not known to Seller to be under an obligation of confidentiality to Buyer with respect to such technical data.
6. **Proprietary Rights:** If and to the extent that the goods are to be manufactured and sold by Seller in accordance with or on the basis of technical data furnished by Buyer, Buyer warrants that Seller's manufacture or sale to Buyer of goods conforming to such technical data will not infringe any United States or foreign patent, any known trade secret, or any other proprietary rights of persons not a party hereto.
7. **Indemnification:** Buyer undertakes to indemnify Seller against all judgments, decrees and orders, and all loss, cost, damage, injury or expense incident thereof, resulting from any alleged infringement and, to defend Seller at Buyer's expense in any action or proceeding which may be instituted against Seller under any claim of infringement in the manufacture, use or sale of goods conforming to Buyer's technical data. Except to the extent implied by law to give effect to the terms and condition of this Agreement, nothing contained herein shall be construed to grant to either party any right or license under any patent, trade secret, or other proprietary rights of the other party.
8. **Customer Visits on Sellers Premise:** Buyer agrees to indemnify and protect Seller against all liability, claims, demands or expenses for damages to the property or injury to the Buyer or Buyer Representatives that visit CTM, CTM subcontractors or anyone in connection to the Seller.
9. **Cancellation:** Buyer may not cancel its order, wholly or in part, without Seller's consent. If Seller consents to such cancellation, Buyer shall be liable for (a) the full sales price of goods manufactured prior to cancellation and (b) goods not completed at the time of cancellation, (c) charges for engineering and manufacturing costs, overhead expenses and Seller's reasonable profit (d) Seller's cost of raw materials which may not be returned to the supplier for full credit or if such materials have not been shipped, Seller's purchase thereof may not be cancelled; and all costs of packaging and shipment, plus a handling charge of 15% of the purchase price, of shipped materials which may be so returned.

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10. **Changes:** By written order by buyer's authorized purchasing unit, Buyer may make changes within the general scope of the Order, or in drawings, designs, specifications, statements of work, place of delivery, methods of shipment and packaging, and property and services furnished by Buyer. If any such change causes an increase or decrease in the price of the Order or in the time required for its performance, Seller shall promptly notify Buyer thereof and assert its claim for adjustment after the change is ordered, and an equitable adjustment shall be negotiated. Where the cost of property is made obsolete or excess as a result of a change is included in Seller's claim for adjustment, Buyer shall have the right to prescribe the manner of disposition of such property. However, nothing in this provision shall excuse Seller from proceeding immediately with the written change Order. Information, advice, approvals, or instructions by Buyer's technical personnel or other representatives shall be deemed expressions of personal opinions only and shall not affect Buyer's and Seller's rights and obligations hereunder unless set forth in writing which is authorized by Buyer and which expressly states that it constitutes an amendment or change to the Order.
11. **Applicable Law.** This Agreement shall be construed and enforced in accordance with (UCC) and the laws of the State of New York.

Customer acknowledgement:	
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Signed	date