

**UNIPUNCH PRODUCTS, INC.
TERMS AND CONDITIONS OF SALE**

1. Offer, Governing Provisions and Cancellation. Any agreement between UniPunch Products, Inc. ("UniPunch") and a buyer for the sale of goods and/or services described in a UniPunch Quotation or UniPunch Order Acknowledgement will be in accordance with these terms and conditions. A UniPunch Quotation is an offer, and a UniPunch Order Acknowledgement is an offer or counter-offer by UniPunch to sell the goods and/or services described thereon and such documents are not an acceptance of any offer made by a buyer and are expressly conditioned on buyer's assent to these Terms and Conditions of Sale. UniPunch objects to any additional or different terms contained in any purchase order or other communication previously or hereafter provided by buyer to UniPunch. No such additional or different terms or conditions will be of any force or effect. The terms contained in or incorporated into a UniPunch Quotation or UniPunch Order Acknowledgement will be the entire agreement between UniPunch and buyer on the subject of the transaction described thereon; and there are no conditions to that agreement that are not so contained or incorporated. **THE OFFER BY UNIPUNCH AND THE RESULTANT AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF NEW YORK AND THE U.S. (WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAWS). THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL NOT BE GOVERNED BY THE 1980 U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS.**

No accepted offer may be cancelled or altered by buyer except upon terms and conditions accepted by UniPunch in writing; and no changes will be binding unless set forth in writing and manually signed by UniPunch. An offer by UniPunch may be revoked by UniPunch at any time before it is accepted by buyer, and shall automatically expire 30 calendar days after its date if buyer has not accepted it before then. Neither buyer's acceptance of an offer nor any conduct by UniPunch (including but not limited to shipment of goods) shall oblige UniPunch to sell to buyer any quantity of goods in excess of the quantity that buyer has committed to purchase from UniPunch at the time of such acceptance or conduct.

2. Credit Approval; Payment Terms. All payment terms set forth in this document are subject to UniPunch's approval of buyer's credit, in UniPunch's discretion; and if such approval is withheld, payment shall be due in advance of UniPunch's performance. Except as otherwise provided on the face of a UniPunch Quotation or UniPunch Order Acknowledgement or in the preceding sentence, payment is due upon buyer's receipt of UniPunch's invoice following shipment. Interest will be charged at the lesser of (i) 18% per year, or (ii) the highest rate permitted by applicable law, on accounts more than 30 calendar days past due. If production or shipment of completed goods, or other UniPunch performance, is delayed by buyer, UniPunch may immediately invoice, and buyer shall pay, the percentage of the purchase price corresponding to the percentage of completion; in addition, buyer shall compensate UniPunch for storage of completed goods or work in process during any such delay, whether stored at UniPunch's facility or an independent storage company's facilities.

3. Taxes and Other Charges. Any manufacturer's tax, occupation tax, use tax, sales tax, excise tax, value added tax, duty, custom, inspection or testing fee, or any other tax, fee, interest or charge of any nature whatsoever imposed by any governmental authority on or measured by the transaction between UniPunch and buyer shall be paid by buyer in addition to the prices quoted or invoiced. In the event UniPunch is required to pay any such taxes or other charges, buyer shall reimburse UniPunch therefor on demand.

4. Delivery, Claims and Force Majeure. Unless otherwise provided on the face of a UniPunch Quotation or UniPunch Order Acknowledgement, goods shall be delivered to buyer F.O.B. UniPunch's loading dock or, for ultimate destinations outside of the U.S., ex works UniPunch's loading dock (as the latter shipping term is defined in Incoterms 2000). Delivery of products to the carrier shall constitute delivery to buyer; and regardless of shipping terms or freight payment, buyer shall bear all risk of loss or damage in transit. UniPunch reserves the right to make delivery in installments; all such installments to be separately invoiced and paid for when due in accordance with their respective invoice, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve buyer of its obligations to accept remaining deliveries.

Claims for shortages or other errors in delivery must be made in writing to UniPunch within 10 calendar days after receipt of shipment; and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by buyer. Claims for loss of or damage to goods in transit must be made to the carrier, and not to UniPunch.

All delivery dates are approximate. UniPunch shall not be liable for any losses or damages as a result of any delay or failure to deliver due to any cause beyond UniPunch's reasonable control, including but not limited to any act of God, act of buyer, embargo or other governmental act, regulation or request, fire, accident, strike, slowdown, war, act of terrorism, riot, delay in transportation, or inability to obtain necessary labor, materials or manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost because of the delay. Buyer's exclusive remedy for other delays and for UniPunch's inability to deliver for any reason shall be rescission of its agreement to purchase.

5. Changes. UniPunch may at any time make such changes in design and construction of products, components or parts as UniPunch deems appropriate, without notice to buyer. UniPunch may furnish suitable substitutes for materials unobtainable because of priorities or regulations established by governmental authority or nonavailability of materials from suppliers.

6. UniPunch's Limited Warranty. UniPunch's Limited Warranty is as follows:

a. Basic Limited Warranty Coverage. Unipunch Products, Inc. ("UniPunch") warrants that it will repair or, at its option, replace any parts manufactured by UniPunch and found to be defective in factory material or workmanship within a period of 30 days after delivery to the original purchaser.

b. UniPunch's Obligations. UniPunch will at its expense repair or, at its option, replace F.O.B. UniPunch's loading dock or, for customers outside the United States, ex works UniPunch's loading dock (as the latter shipping term is defined in Incoterms 2000) any parts manufactured by it and found to be defective in material or workmanship during the applicable warranty period, provided that the owner of the warranted goods complies with the "Warranty Claims Procedure" set forth below. The owner of the warranted goods will be responsible for the expense of returning any parts to UniPunch for warranty evaluation.

UniPunch will at its expense return any part repaired or replaced under this warranty to the owner of the warranted goods, by truck, United Parcel Service or U.S. Mail, at UniPunch's option. The owner of the warranted goods will be responsible for the cost of any other method of shipment, including air freight.

- c. **Items Not Covered.** UniPunch's limited warranty does not cover:
 - i. a mechanic's travel time;
 - ii. the cost of removal of defective parts and reinstallation of repaired or replacement parts;
 - iii. used goods, unless specifically covered by a separate written warranty;
 - iv. component parts manufactured by others, including, but not limited to springs and hydro-pneumatic actuators, (but, if new, such items are ordinarily warranted by the manufacturer thereof);
 - v. depreciation or damage caused by normal wear and tear, accident, abuse, improper maintenance, abnormal use, use other than in accordance with UniPunch's instruction, or improper protection in storage,
 - vi. goods which have been modified or altered other than with the prior written approval of UniPunch;or
 - vii. the cost of normal maintenance or service, including but not limited to the cost of lubrication, and replacement of consumable components such as punches, dies, springs, and guides; the cost of repairing or replacing other property which is damaged when the goods do not work properly.
- d. **Warranty Claims Procedure.** Within five (5) days of the expiration of the applicable warranty period, the owner of any warranted item claimed to be defective must:
 - i. notify UniPunch immediately upon discovery of any defect covered by this warranty;
 - ii. provide UniPunch documentary evidence of the date of delivery of the item to the original purchaser; and
 - iii. if requested by UniPunch, ship the defective part(s) to UniPunch, freight (and duty if any) prepaid, for inspection.
- e. **No Other Warranties.** UniPunch makes no warranty other than that set forth above, express or implied. None of UniPunch's representatives is authorized to make any representation or warranty on UniPunch's behalf or in its name. UniPunch's only obligation and its customer's only remedies, in connection with the sale of UniPunch products, are those set forth in this Warranty.

THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED; AND UNIPUNCH EXPRESSLY DISCLAIMS AND EXCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.

7. Patents, Trademarks and Copyrights. UNIPUNCH GIVES NO WARRANTY THAT THE PRODUCTS SOLD WILL BE DELIVERED FREE OF THE RIGHTFUL CLAIM OF ANY THIRD PARTY FOR INFRINGEMENT OF ANY PATENT, COPYRIGHT OR TRADEMARK OR ANY OTHER PROPRIETARY RIGHTS.

8. Consequential Damages and Other Liability; Indemnity. IN NO EVENT SHALL UNIPUNCH BE RESPONSIBLE FOR ANY OTHER OBLIGATIONS OR LIABILITIES OR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PRODUCTION, LOSS OF PROFITS, OR RENTAL OF SUBSTITUTE EQUIPMENT, WHETHER ARISING OUT OF BREACH OF WARRANTY OR OTHER BREACH OF CONTRACT, NEGLIGENCE OR OTHER TORT, OR ON ANY STRICT LIABILITY THEORY OR UNDER OTHER THEORIES OF LAW OR EQUITY, WITH RESPECT TO GOODS OR SERVICES SOLD BY UNIPUNCH, OR ANY UNDERTAKINGS, ACTS OR OMISSIONS RELATING THERETO. Without limiting the generality of the foregoing, UniPunch specifically disclaims any liability for property damages, penalties, special or punitive damages, damages for lost profits or revenues, down-time, lost goodwill, cost of capital, cost of substitute goods or services, or for any other types of economic loss, or for claims of buyer's customers or any third party for any such damages, costs or losses. **UNIPUNCH SHALL NOT BE LIABLE FOR AND DISCLAIMS ALL CONSEQUENTIAL, INCIDENTAL, INDIRECT AND CONTINGENT DAMAGES WHATSOEVER.** UniPunch's liability with respect to the goods or services sold hereunder shall be limited to the warranty provided in section 6 of these Terms and Conditions of Sale and, with respect to any other breaches of its contract with buyer, shall be limited to the contract price.

Buyer shall indemnify and hold harmless UniPunch from and against any and all losses, liabilities, damages and expenses (including but not limited to attorneys' fees and other costs of defense) that UniPunch may incur as a result of any claim by buyer or by buyer's customers or by any third party arising out of or in connection with the goods or services sold hereunder, including but not limited to any such claim based upon the negligence of UniPunch in designing, manufacturing, performing and/or selling such goods or services, unless such losses, liabilities, damages or expenses are ultimately determined to be attributable solely to the willful misconduct of UniPunch.

9. Technical Information. Buyer agrees any sketches, models or samples submitted by UniPunch shall remain the property of UniPunch, and shall be treated as confidential information unless UniPunch has in writing indicated a contrary intent. Buyer agrees not to use or disclose such sketches, models or samples, or any design or production techniques revealed thereby, without the express, prior written consent of UniPunch.

10. Tools. Any dies, jigs or tools that UniPunch manufactures or acquires in connection with its performance under a UniPunch Quotation or UniPunch Order Acknowledgement shall remain the property of UniPunch, notwithstanding any charges to buyer therefor. Any such charges convey to buyer the right to have the tools, dies or jigs used by UniPunch for performance of UniPunch's agreement with buyer, but do not convey title or right of possession or any other right.