# FABREEKA INTERNATIONAL, INC. TERMS AND CONDITIONS

## ENTIRE AGREEMENT

The parties agree that of there are no understandings, agreements or representations, express of implied, not specified herein respecting this bid, offer, quotation, and/or sale and that this instrument contains the entire intent and agreement between Seller and Buyer, and that consequently, no course of prior dealing and no usage of trade standards shall be relevant to supplement or to explain terms used in this agreement

#### TERMS OF OFFER

This quotation constitutes an offer to sell according to the terms set forth herein. This offer shall de deemed accepted by the Buyer only upon receipt by the Seller of a purchase order from the Buyer. Acceptance of this offer by the Buyer is expressly limited to the terms hereof and in the event that the purchase order from the Buyer states terms additional to or different from those set forth herein, this offer shall be deemed a notice of objection to such additional or different terms and a rejection thereof. Any acknowledgement by the Seller of receipt of a purchase order shall not be deemed to be an acceptance of any additional terms to this offer and shall not alter the terms and conditions of this offer

#### BIDS, OFFERS, QUOTATIONS AND ACCEPTANCE OF ORDERS

Seller possesses the exclusive right to accept or refuse any and all orders. No bid, offer, quotation or order shall be valid or binding upon Seller, and no order shall be accepted and no sale shall be final, until such bid, offer, quotation or order shall be acknowledged in writing by Seller.

#### PRICES

All orders are accepted on the basis of our prices in effect at the time of shipment and shall be adjusted to reflect Seller's prices in effect on the date of shipment. Acceptance of all orders are subject to a Minimum Order Amount of \$100.00

#### DELIVERY

Delivery dates are estimates of approximate dates of delivery, not a guaranty of a particular date of delivery and are based on the prompt receipt of all necessary information for delivery from the Buyer. Seller shall not be liable for failure or delay in shipping goods hereunder if such failure or delay is due to an act of nature, fire, flood, war, labor difficulties, accident, strikes, lockout, civil disorder, governmental priorities or embargoes, inability or difficulty in obtaining raw materials or supplies or any causes of any kind whatsoever beyond the control of the Seller. Seller shall be compensated for any and all extra costs and expenses occasioned by delays attributable to the Buyer.

# TRANSPORTATION

All shipments are F.O.B. point of shipment. Seller reserves the right to select the type of transportation and the carrier. If a method of transportation or carrier other than that selected by Seller is requested by Buyer, excess packing, shipping and transportation charges resulting from compliance with Buyer's request shall be charged to the account of, and be paid by, Buyer.

## CANCELLATION OR MODIFICATION

Buyer may cancel or modify an order or any part thereof, only upon written notice to Seller and upon payment to Seller of reasonable and proper cancellation or modification charges as determined by Seller.

### TAXES

Any taxes that Seller may be required to pay or collect under any existing or future laws with respect to the sale, purchase, delivery, storage, processing, use or consumption of any Product covered hereby, including taxes upon or measured by the receipts from the sales thereof, shall be for the account of Buyer who shall promptly pay the amount thereof to Seller upon demand, or in lieu thereof, furnish Seller with a tax exemption certificate acceptable the taxing authorities.

# WARRANTY

Seller warrants that its products, materials and systems shall be free from defects in material and workmanship under intended use and service for one year from date of delivery, subject to Fabreeka inspections. The warranty shall not apply to any failure caused by improper use or maintenance of products, materials or systems. On Products and materials furnished by Seller but manufactured by others, Buyer shall accept in lieu of any liability or guarantees on the part of Seller, the benefits of warranties that are assignable and made by such manufacturers or vendors. SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT AS IS EXPRESSLY SET FORTH HEREIN. For any breach of warranty.

Seller's liability and Buyer's exclusive remedy shall be limited, at Seller's option, to the repair of the defective product and material or the replacement thereof with conforming product or material, F.O.B. Seller's factory, or the repayment of the purchase price to Buyer. Failure by Buyer to object to or reject products or materials delivered hereunder within 60 days from the date of shipment of the products or materials shall constitute an acceptance and waiver by Buyer of all claims on account of alleged errors, shortages, defective workmanship or material, breach of any warranty or otherwise.

## RETURN OF MATERIAL

Seller's permission must be obtained in writing on a product return authorization form (RPA), before any product is returned to it by Buyer for any reason whatsoever. If a product is returned without such permission, Buyer authorizes Seller, in addition to such other remedies as it may have, to hold the returned product at Buyer's sole risk and expense. All returns, with no exception, must be prepaid. Seller will in no event accept the return of any product that has been used, cut, drilled or otherwise altered in shape or form by Buyer.

#### **PATENTS**

Subject to the conditions hereinafter stated, Seller shall defend in any suit or process brought against Buyer, insofar as said suit or process is based upon the claim that any product furnished by Seller infringes any patent, and Seller shall pay any damages based upon any such infringement that are adjudicated and awarded against Buyer in any court of competent jurisdiction. In the event that such suit results in a holding that such product constitutes such infringement and the use of said product is enjoined, Seller shall, at its own expense, and at its sole option, either procure for Buyer the right to continue using such product, or replace said product with a non-infringing product, or accept the return of said product and refund the purchase price and transportation costs thereof. Buyer agrees, for any product delivered under an order, to indemnify and hold harmless Seller from all damages, costs, expenses and loss in connection with any judgment or decree from a claim of patent or trademark infringement arising from, or based upon Seller's compliance with, Buyer's designs, specifications or instructions in the furnishing of such products to Buyer.

# STOPPAGE IN TRANSIT

If Seller determines that Buyer's credit position has changed materially, prior to or during shipment, or at any time before acceptance of the product by Buyer, then the Seller may stop delivery of the product to the carrier or other bailee, or repossess the product in the possession of the carrier or bailee. Such action by Seller will not constitute a breach of this agreement or be the basis for damages by Buyer.

# LIMITATION OF LIABILITY

Buyer's exclusive remedy on any claim of any kind for any loss or damage arising out of, connected with, or resulting from this agreement, or from the performance or breach hereof, or from the design, manufacture, sale delivery, resale, or repair or use of any product covered by or furnished under this agreement, including, but not limited to, any claim of negligence or other tortuous claim, except as provided in the paragraph entitled "Patents", shall be the repair or replacement, F.O.B. factory, as Seller may elect, of the product giving rise to such claim, except that the Seller's liability for such repair or replacement shall in no event exceed the contact price allocable to the product which gave rise to the claim. SELLER SHALL IN NO EVENT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

### PAYMENT

All invoices are due Net 30 from the date of invoice. Payment not made when due shall bear interest at the rate of 1% per month until paid.

# ORDER ADDITIONS

Order changes or additions received after original the order has been processed will be treated as a new order.

### CLAIMS

Claims for damage or loss in transit must be filed by Buyer against the carrier.

### GOVERNING LAW

Any contract formed pursuant to this quotation shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

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