

Contact Information - Any questions regarding Judco Manufacturing, Inc.'s Terms and Conditions may be directed to the following:

Judco Manufacturing, Inc.
1429 W. 240th Street, Harbor City, CA 90710
www.judco.net
310-534-0959

Judco Manufacturing, Inc. - Customer Terms and Conditions

Effective January 1, 2021

- 1. CONTROLLING PROVISIONS** - These terms and conditions shall comprise any contract of sale which may be entered into between Seller and Purchaser, and the rights of the parties shall be governed exclusively by the provisions, terms and conditions hereof. Irrespective of its wording or of when received by Seller, any terms or conditions in Buyer's purchase order, acknowledgment, confirmation of purchase or any other writing pertaining to the products to be provided hereunder which states additional or differing terms from this Quotation shall be operative as an acceptance hereof; provided, however, that all such additional or differing terms shall be deemed material alterations within the meaning of Section 2207(2)(b) of the California Commercial Code, and notice of objection to them pursuant to Section 2207(2)(c) of the California Commercial Code is hereby given. Seller makes no representations or warranties concerning the products to be provided hereunder except such as are expressly contained herein. Quotations may not be changed or modified except by written agreement of the parties.
- 2. QUOTATIONS & PRICES** - On domestic and export shipments, prices are EXW (ExWorks) Seller's plant unless otherwise stated herein. Acceptance of orders not paid in advance are subject to the approval of our Credit Department. All Quotations automatically expire thirty (30) calendar days from date of issue and are subject to termination by notice within that period. Unless otherwise stated, the prices at which Seller will invoice Purchaser for the products specified herein will be those in effect at the time of shipment. Prices of the products are exclusive of all city, state and federal excise taxes, including, but without limiting the generality of the foregoing taxes on manufacture, sales, receipts, gross income, occupation, use, and other similar taxes. Whenever applicable, such tax or taxes will be added to the invoice as a separate charge to be paid by Purchaser or, if authorized by law, Purchaser may pay such tax or taxes directly to the taxing authority. Export orders shall be accompanied by a confirmed irrevocable letter of credit for Seller's account with an accredited United States bank, subject to Seller's draft with shipping documents attached. All documented collection costs will be charged to Purchaser. All payments are to be made in United States legal tender at par.
- 3. DELAYS** - Performance of orders and contracts, and delivery and shipment of products are subject to and contingent upon, delay directly or indirectly caused by, or in any manner arising from labor disputes of any nature, shortages of materials, transportation or labor, Acts of God or of the public enemy, government regulations or restrictions, Seller's production schedules, or any other cause or causes (whether or not similar in nature to any of these hereinbefore specified) beyond Seller's control, and Seller shall not be liable for any loss or damage suffered by Purchaser arising therefrom. Seller shall have the right, in the event of the happening of any of the above contingencies, at its option, to cancel this order or contract or any part thereof without any resulting liability.
- 4. SHIPMENTS** - All shipments will be made at the lowest obtainable freight rates unless requested otherwise by Purchaser. If prepayment of the carriage costs is required, such costs will be added to the invoice as a separate charge to be paid by Purchaser. On shipments subject to freight allowance, any additional costs for premium rate services such as Express Rail or Air, or Air Freight will be charged to Purchaser. Shipments sent by Parcel Post will be insured and the postal fees and insurance will be added to the invoice as a separate charge to be paid by Purchaser. All shipments by Seller may be within ten percent (10%) over or under the exact quantity ordered by Purchaser, and price for order will be adjusted by the unit amount for such overage or underage, if any. Seller reserves the right to make delivery in installments, unless otherwise expressly stated herein. All such installments shall be separately invoiced and paid for when due without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Purchaser of its obligation to accept remaining deliveries.
- 5. PRICING** - The total release quantity used for pricing must be requested for shipment. If multiple shipments are required, all requested shipments must be within a one hundred-eighty (180) day period and each requested shipment must be for at least 15% of the total release quantity unless otherwise expressly stated. Modifications in schedule made by Seller will not affect pricing. The pricing quoted is based on the Purchaser accepting all scheduled shipments. If shipments are canceled or reduced in quantity, re-pricing and re-invoicing will occur with prices based on the actual quantity shipped. The minimum charge for any order will be two hundred fifty dollars (\$250.00). No charge will be made for boxing or crating required by domestic carriers. Costs of special boxing, export boxing, cartage for foreign shipments and transfer expenses will be added to the invoice as a separate charge to be paid by Purchaser unless such charges are shown to be included in the prices quoted herein.
- 6. STORAGE** - In case of delay in shipment because of Purchaser, the products may be placed in storage by Seller and Purchaser shall pay all handling, insurance and storage charges. Unless otherwise stated, Purchaser shall pay all charges promptly upon receipt of invoice and shall pay for products placed in storage in accordance with the terms originally specified by Seller.
- 7. DELIVERY & TITLE** - For all shipments, whether domestic or export, delivery of products to a common carrier or licensed trucker shall constitute Delivery to Purchaser, at which time title to, ownership of, risk of loss, and right to possession or control of the products shall transfer to Purchaser and all risk of loss or damage in transit shall be borne by Purchaser. The time, manner, or place of payment, whether before or after shipment, by letter of credit or otherwise, segregation of the products to the Purchaser's contract, storage of the products on behalf of Purchaser, consignment to the Purchaser or its agent, and importation and customs clearance by the Purchaser shall in no way affect the above-described transfer of rights and obligations that occur at the time of Delivery. Any use of the terms "F.O.B." or "C.I.F.", or the like, shall apply to price and not to title and ownership. It is

expressly agreed that the title transferred to Purchaser at the time of Delivery constitutes full legal and beneficial title. Purchaser shall be responsible for insuring the shipment.

8. CANCELLATION - This order shall not be cancellable by the Purchaser for delays in delivery or other cause until ten (10) days after written notice of such termination shall have actually been received by Seller, and Purchaser shall be obligated to accept any products shipped or delivered by Seller during such period, as well as material and work-in process on custom orders. Unless otherwise expressly stated, this order can be canceled without fault on Purchaser's part only with Seller's consent and upon terms that will indemnify Seller against loss. **TOLERANCE** - Products furnished by Seller are to be within the limits and of the sizes published by Seller and subject to Seller's standard tolerances for variations.

9. CLAIMS - Claims for defective products, shortages, delays or failures in shipment or delivery, or for any other cause, shall be deemed waived and released by Purchaser unless made in writing within five (5) days after arrival of said products. No claims will be considered for products altered, defaced or upon which any additional operation has been performed, and no claims will be allowed for labor, rework, transportation or other expense incurred by Purchaser, without prior written approval of Seller. If the products fail to meet written specifications agreed to by Seller, subject to Seller's said tolerances, Purchaser shall not return them, but shall notify Seller within the said five (5) day period, stating full particulars in support of its claim. Seller, at its option, shall either replace the products upon return of the defective or unsatisfactory material or adjust the matter fairly and promptly. Under no circumstances shall Seller be obligated for consequential or other damages, losses, or expense, directly or indirectly incurred in connection with, by reason of the use of, or the inability to use the products for any purpose. **SELLER DOES NOT WARRANT OR GUARANTEE THE TECHNICAL ADVICE GIVEN BY IT IN CONNECTION WITH THE INSTALLATION OR THE USE OF PRODUCTS SOLD HEREUNDER. NO WARRANTY OR GUARANTEE AS TO MERCHANTABILITY OR FITNESS OF THE PRODUCTS FOR ANY PURPOSE IS MADE UNLESS THE SAME IS SPECIFICALLY SET FORTH IN THE QUOTATION, BUT IN SUCH CASE SUCH WARRANTY OR GUARANTEE IS LIMITED AS ABOVE PROVIDED.**

10. PATENTS - If any product shall be manufactured or sold by Seller to meet Purchaser's particular specifications or requirements, Purchaser agrees to indemnify, protect and save harmless Seller against all suits or actions, and from all judgments, decrees, costs and expenses for actual or alleged infringement of any United States or foreign patent. Purchaser agrees that, upon request of Seller, Purchaser shall, at Purchaser's own expense, defend or assist in the defense of any such action which may be brought against Seller by reason of such alleged infringement.

11. INTELLECTUAL PROPERTY RIGHTS - Seller retains ownership of all intellectual property and proprietary data disclosed to Purchaser in connection with the sale of the products. Buyer shall not disclose such intellectual property or data to others unless already known to the general public. For the purposes of this paragraph, proprietary data means all design, engineering and technical information (whether patentable or not) and other information relating to Seller's trade secrets. Seller's trade secrets include but are not limited to secrets of manufacture contained in Seller's manufacturing methods and processes, treatments, chemical compositions, plant layout and tooling. Unless otherwise specifically stated herein, Seller further retains ownership of all rights, title and interest in and to any and all ideas, invention, improvements, materials, copyrightable materials or the like, conceived or made by Seller as a result of or relating to work performed in connection with the manufacture and sale of the products.

12. PROPERTY OF SELLER - Unless otherwise provided hereunder any sample, supply, material, facility, tool, die, jig, fixture, gage, mold, design, pattern, specification, description, or equipment heretofore or hereafter purchased, furnished, or made by Seller shall be and shall remain the property of Seller, and Seller shall bear the risk of loss of and damage to such property, normal wear and tear excepted. If any such property is listed on the reverse side hereof together with a price to be paid by Purchaser, it is understood by the parties that said price shall be for set up charges in connection with the use of such property, rental of such property by Purchaser for use by Seller in the production of products for Purchaser, and an intellectual property license to Purchaser allowing the use, resale but not manufacture of products made by or with such property; and not for the purchase of such property by Buyer.

13. RETURNED PRODUCTS - No products will be accepted for return unless previously authorized in writing by Seller.

14. CHANGES - All additional expenses to Seller due to Purchaser's changes in the drawings, designs and/or specifications applicable to the products provided hereunder, or the method of shipment, packing or place of delivery, which have been approved by Seller, as well as any products furnished in addition to that herein specified, shall be added to the purchase price, and paid by Purchaser.

15. SELLER'S RIGHT OF POSSESSION - Seller shall have the right, in addition to all others it may possess, at any time, for credit reasons or because of Purchaser's default or defaults, to withhold shipments, in whole or in part, to stop products in transit and redirect the same, either before or after delivery, and to retake into general inventory all products which may be stored with Seller for Purchaser's account, without the necessity of taking any other proceedings. Purchaser acknowledges and consents that all products so withheld, stopped in transit, or retaken after delivery, shall become the absolute property of Seller, provided that Purchaser is given full credit, therefore.

16. REVOCATION OF CREDIT - Seller reserves the right at any time to revoke any credit extended to purchaser because of Purchaser's failure to pay for any products when due or for any other reason deemed good and sufficient by Seller. In such event all subsequent shipments shall be paid for in advance or on delivery.

17. RESERVATION OF RIGHTS - Payment by Purchaser for the modification of existing tooling owned by Seller, or any other "partial tooling" charge or similar expense, shall not vest any right or title in Purchaser. Unless otherwise stated herein, Seller shall have unrestricted right and authority to produce, use and/or sell identical products to others.

18. ORDER ACCEPTANCE - Seller reserves the right to refuse any order. An order shall be deemed accepted and a binding contract formed when Purchaser's order is accepted in writing by Seller, or when the order is shipped, or by Seller's purchase of supplies or commitment of other resources to fulfillment of the order, whichever occurs first.

19. APPLICABLE LAW – These Terms and Conditions shall be construed under, and in accordance with, the laws of the State of California, without regard to Conflict of Law principles.

20. ARBITRATION – Any claims arising from, or in accordance with, these Terms and Conditions, shall be resolved through binding arbitration with the American Arbitration Association (“AAA”), or any other arbitrator or arbitration service mutually agreed upon by the Parties, in accordance with the then current rules of the AAA or other selected arbitration service. The Parties hereby waive the right to file an action in any other forum, and specifically waive the right to a jury trial. The arbitration shall be held in Los Angeles, California before a single, neutral arbitrator. The written decision of the arbitrator shall be final and conclusive as to all parties to such dispute. The Parties initially shall bear their own costs in connection with the arbitration; however, the Arbitrator may grant any relief that would be available in a court of law, including an award of reasonable attorneys’ fees and costs to the prevailing party in a manner consistent with applicable law.

21. INJUNCTIVE RELIEF – Buyer acknowledges and agrees that, in the event of Buyer’s breach of any of these Terms and Conditions, Seller may sustain irreparable damages, for which monetary compensation may not be sufficient. Accordingly, Seller shall be entitled to seek an injunction or other equitable or mandatory relief, in addition to any other legal remedies. No failure or delay by Seller in exercising any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise of any right, power, or privilege.