

Bonding Source Terms and Conditions for Products

1. Bonding Source's acceptance of Buyer's order is expressly made conditional on Buyer's assent to these terms and conditions. Buyer shall be deemed to have assented to the provisions hereof in all respects by its use of any goods shipped. Bonding Source's commencement, performance and/or delivery shall be for Buyer's convenience only and shall not be construed as acceptance of Buyer's terms and conditions.
2. Bonding Source's products are offered for sale only on the terms and conditions contained herein. Prior dealings between the parties, Buyer's purchase orders or other documents shall not affect said terms and conditions. Bonding Source hereby objects to and shall not be bound by any oral or written agreement or other understanding, or by any change in, addition to, or waiver of any provisions hereof, unless approved in writing by an authorized representative of Bonding Source.
3. Prices and terms of payment are subject to change without notice, unless contractually agreed to with the Buyer in a blanket order, and as to any shipment will be the then current price in effect for that product. Shipping dates are conditional upon availability of product. All sums shall be payable in legal tender of the USA. Acceptance by Bonding Source of bank drafts, checks or other media of payment is subject to collection. Bonding Source may recover for each delivery as a separate transaction, without reference to any other delivery. If Buyer is in default of any provisions of this Contract, Bonding Source may defer further deliveries until the default is remedied in which event, if Bonding Source elects, the Contract shall be deemed extended for a period of time equal to that during which deliveries are deferred or, without prejudice to any other remedy, Bonding Source may terminate the Contract. Payment shall be due no later than 30 days after delivery unless otherwise agreed in writing by Bonding Source. Bonding Source may at any time, however, require payment in advance or at the time of delivery of the products or any part thereof. Bonding Source reserves the right to cancel Buyer's order if Government regulations prohibit selling at the price or prices indicated herein. Any overdue payments shall bear interest at the rate of 1.5% per month or the maximum rate under the usury laws, whichever is less.
4. (a) Bonding Source warrants that during the twelve months after delivery to Buyer, or for the shelf life of the Product specified by Bonding Source if such shelf life is shorter than 12 months, the Product will be substantially free from defects in materials and workmanship. If a limited shelf life material has not been stored or handled per the manufacturer's specification by the Buyer, Bonding Source has no warranty obligation to the Buyer for that product(s). Bonding Source will replace or repair any Product which shall prove to be materially defective, providing Buyer shall have reasonably inspected Product received and notified Bonding Source of any apparent defects within 30 days of receipt. At Bonding Source' option Buyer may be credited for the price charged for the defective product in lieu of replacement or repair. This warranty is for the benefit of, and must be exercised directly by, Buyer only, and shall not convey any rights whatsoever to any third party. Bonding Source makes no warranty with respect to, and shall not be liable for, any defects that are caused by the processing of Product after delivery to Buyer, by the integration of Product into or with other products, or any other actions taken or caused by Buyer or its customers. BONDING SOURCE MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND DISCLAIMS THE EXISTENCE OF ANY OTHER WARRANTY WHETHER OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE. BONDING SOURCE SHALL NOT IN ANY EVENT BE LIABLE TO BUYER FOR DAMAGES

RESULTING FROM THE SALE TO BUYER, RESALE BY BUYER OR USE OF ANY PRODUCT IN ANY AMOUNT GREATER THAN THE PURCHASE PRICE RECEIVED BY BONDING SOURCE FOR SUCH PRODUCT. (b) Product delivered by Bonding Source shall not be considered defective if it is in accordance with the manufacturer's specifications or drawings agreed upon in writing between Bonding Source and Buyer, or in the absence of any such written agreement, with Bonding Source' internal specifications ("Specifications"). No allowance will be granted for any repairs made by Buyer without written consent of Bonding Source. (c) Bonding Source shall not, in any event, be liable for any consequential, incidental or special damages, punitive damages, or costs or expenses in the event of any breach of warranty or in the event of any default in any term herein or in the event of any loss, damage, injury or cost resulting from or arising out of or in respect of any Product. (d) Except as Bonding Source may otherwise agree in a separate writing signed by an authorized officer, Bonding Source makes no representations or warranties, express or implied, regarding compliance (including, without limitation, notification and/or registration) in the manufacture, distribution in commerce, processing, use, or disposal of any Product, or the constituent substances thereof, with the U.S. Toxic Substance Control Act, the regulations promulgated thereunder or any similar statute or regulation, as the same may be amended from time to time; including in the above disclaimer, without limitation, representations and warranties regarding inclusion of said materials or substances in the various lists compiled by the U.S. Environmental Protection Agency and/or state authorities under any of the aforesaid acts and/or regulations.

5. All products are sold FOB shipping point with transportation at the expense of Buyer and unless otherwise stated herein, Bonding Source reserves the right to select the means of transportation and routing. (risk of loss or damage shall pass to Buyer upon delivery of the products to the transportation company FOB shipping point). All deliveries made to public carriers are made subject to the terms of such carrier's bill of lading and tariffs, and the carrier shall be deemed the Buyer's agent irrespective of the terms of sale. All risks of loss, damage to, and disappearance of the products shall be borne by the Buyer from after delivery of the products to the carrier. The Bonding Source shall have no liability whatsoever for delay in delivery.

6. Buyer assumes full responsibility for and liability arising out of unloading, discharge, storage handling and use of any product or product container alone or in combination with other substances; compliance or non-compliance with any laws or regulations relating thereto.

7. CLAIMS AND RETURNS. No Product will be accepted for credit by Bonding Source if it is substantially in accordance with the Specifications. All claims for shortages, non-conforming Product or poor quality must be made in writing within 30 days of receipt. No return shall be shipped to Bonding Source except after securing written instructions from Bonding Source. Bonding Source shall have the sole right to determine whether returned articles or parts shall be repaired or replaced. Damage incurred at Buyer's location such as in the process of inspection, handling, and repackaging shall be the sole responsibility of Buyer

8. Buyer shall reimburse Bonding Source for all taxes, excises or charges which Bonding Source may be required to pay to any government or governmental authority which are hereafter levied directly upon the production, sale, transportation or use of any product.

9. Bonding Source shall not be liable for failure to make any deliveries (or portions thereof) arising out of compliance with any law or other governmental action, or arising out of acts of

God, labor troubles, shortage of materials or equipment, terrorism, interruption of or delay in transportation, or any other circumstance of like or different nature beyond the reasonable control of Bonding Source. If any such contingencies occur, Bonding Source may, without liability to Buyer of any kind, keep its available supply of any product for its own uses or distribute it among its customers upon such basis and in such manner as Bonding Source deems fair and practicable. At the option of either party the total quantity to be delivered shall be reduced by the quantity not delivered because of such cause.

10. Bonding Source's weights shall govern, except in case of proved error.

11. Any notice will be sufficiently given when duly mailed, addressed to Bonding Source or to Buyer at their respective addresses appearing herein, or to such other address for either party as that party may designate by written.

12. This contract shall bind the respective successors and assigns of the parties hereto, but none of Buyer's rights or obligations hereunder shall be assigned without Bonding Source's prior written consent.

13. A waiver, by Bonding Source, of non-conformance any provision of this or any other agreement shall not be construed as a waiver of any prior or subsequent non-conformance in this or other transactions.