



## LAI International, Inc.

LAI East	LAI New York	LAI Northeast	LAI Southwest	LAI Midwest
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### LAI Terms and Conditions of Sale (IFC 5-008 Rev. D)

The following terms and conditions apply to all orders with LAI International, Inc. (LAI) pursuant to a Purchase Order between LAI and the customer identified on the Purchase Order (Customer). These terms and conditions may not be supplemented by evidence of LAI's and Customer's course of dealing or usage of trade. A copy of these terms will not be sent out with each order, so please keep a copy in your permanent records.

- LAI shall be responsible for providing only those processes specifically requested by the Customer in its written Purchase Order or Change Order. Type of material, tolerances, and specifications for processing shall be declared in writing to LAI prior to processing by LAI. Because of the nature of the process, the Customer agrees to a 5% material allowance to LAI for test, set-up and manufacturing attrition. Due to the risk and nature of the processing, CUSTOMER SPECIFICALLY WAIVES ANY RIGHT TO RECOVER CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES. LAI's liability and Customer's remedies are limited as described in clause 2.
- LAI's liability, for any cause above the 5% allowance referred to in clause 1, shall be limited to (a) the cost for LAI services for the affected parts, (b) the cost for LAI services to replace the affected parts, (c) the cost for customer services to repair the affected parts, or (d) the cost of the affected material, whichever is the lesser. Charges for LAI services are based on this policy limiting LAI liability. Any liability other than that outlined in these terms and conditions will be assumed by LAI only when agreed to in writing beforehand and signed by the President or Corporate Quality Manager of LAI. In such event, LAI will have the right to charge a higher amount for LAI services.
- LAI is not responsible for unsatisfactory processing as a result of customer furnished data, tooling and templates. It is the responsibility of the Customer to ensure all data, tooling and templates conform to applicable drawing and specification requirements, and that the furnished data, tooling and templates will manufacture conforming parts.
- In the event that processing is unsatisfactory due to imperfections, inconsistencies, or stress relief in material supplied by the Customer, the Customer shall be obligated to pay LAI for the services performed.
- LAI warrants to Customer that at the time of delivery of the products, the goods sold will be free from defects in material and manufacture and will substantially conform to Customer's specifically in the written Purchase Order and any Change Orders. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND CUSTOMER DISCLAIMS ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, AND NON-INFRINGEMENT.
- Customer represents and warrants that they own all legal rights to manufacture and sell the product produced by LAI International, Inc. on their behalf. Customer further agrees to defend, indemnify, and hold LAI International, Inc., its affiliates and its and their Associates, officers, directors, representatives, agents and invitees harmless against any claims arising out of any actual or alleged infringement of any patent, copyright, trademark or other intellectual property right or proprietary right, or any litigation based thereon, with respect to any products (or part thereof.) associated with LAI's manufacture of product on behalf of Customer.
- All invoices payable by the Customer to LAI are due net 30 days from the date of invoice unless otherwise specified. Customer agrees to pay for any fees and expenses incurred by LAI in the connection of the invoice. Prices are quoted FOB our dock. Variances between quote and order quantities may result in adjusted pricing at time of order acceptance. Quotations are valid for 30 days unless otherwise specified. Overdue accounts shall accrue charges at a rate of 1.5% per month or the maximum rate permitted by law.
- Special packaging or shipping containers or boxes required for the return shipment will be the responsibility of the Customer. LAI can provide quotations for special packaging and fabrication of crates and boxes if required. In all other cases return shipments will be sent to Customer using the original or similar crates, boxes, or shipping containers, or in other containers deemed suitable by LAI.
- LAI shall not be liable to Customer for any delay or failure of delivery or performance caused in whole or in part by any contingency outside of LAI's control, including Acts of God, shortages or inability to secure labor or materials at reasonable prices or acts of government.
- In the event Customer cancels or modifies a released order, Customer agrees to pay LAI for all parts fabricated and materials purchased against that order. Restrictions in amount of inventory to be held by LAI must be established at time of quote as this may impact pricing.
- Title to and risk of loss of manufactured goods passes to Customer at time of delivery by LAI to a carrier.

### LAI Return Policy

- ◆ A Return Authorization must be obtained from LAI's Customer Service for all returns. No return will be accepted by LAI's Receiving department without a Return Authorization number.



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- ◆ All returns must be shipped back to LAI via a specific transportation company. This is to be decided by LAI personnel at the time of obtaining the Authorization Number.
- ◆ Customer must return rejected parts for rework within 30 days from the date of delivery.
- ◆ Customer return will be authorized for the purpose of verification of customer claim and it does not constitute an automatic admittance of fault. No credits will be issued until LAI's Quality department completes an investigation of the customer claim.
- ◆ Further processing of rejected parts by any party other than LAI shall constitute a waiver of LAI's liability.