



Columbia Manufacturing, Inc. | 165 Route 66 East | PO Box 368 | Columbia, CT 06237-0368
Office: 860.228.2259 | Fax: 860.228.2273 | www.columbiamanufacturing.net

General Terms & Conditions of Sale

- General:** These terms and conditions of sale apply to all products and services offered by Columbia Manufacturing, Inc. (CMI). Without limitation, the entity to which CMI is providing products or services may be referred to herein as “buyer” or “customer”. CMI’s acceptance of buyer’s purchase order is conditioned upon buyer’s acceptance of all these terms and conditions. Any terms and conditions proposed in buyer’s purchase order which vary, add to or conflict with these terms and conditions of sale are objected to and are not binding on CMI. Any modification or addition to these terms and conditions must be accepted in writing by CMI.
- Prices:** Unless otherwise indicated, all quotations are valid for sixty (60) days from the date of issue and prices are quoted FOB the CMI factory in Columbia, CT.
- Delivery and Risk of Loss:** All deliveries shall be made to buyer FOB Columbia, CT. Any items or parts delivered to CMI for any process shall remain the property of the buyer and risk of loss for such items and parts shall remain with the buyer. At all times it is agreed that CMI is not the insurer of any such items or parts. CMI’s sole obligation is to use ordinary care in receiving and processing such items and parts. Unless otherwise specified, the buyer shall pay all costs of transporting components and parts to and from the CMI facility.
- Payment Terms:** Prior to the establishment of credit terms by CMI, all payment terms unless otherwise specifically agreed to in writing are 30% cash down payment due with order and “cash before delivery” C.B.D. for the balance due. A monthly invoice carrying charge may be assessed for invoices not paid in net 30 days.

In the event of default by buyer, all unpaid sums and installments owed to CMI shall, at CMI’s sole option, become immediately due and payable without notice of any kind to buyer.

If any buyer credit account purchase is not paid in accordance with CMI’s credit payment terms, in addition to any other remedies allowed in equity or by law, CMI may suspend performance, delivery and/or refuse to make further shipments of Products and services without advance payment by buyer or terminate these terms and conditions and any purchase order to which they apply. Any cost incurred by CMI in accordance with such suspension (including storage costs) or termination shall be payable by buyer upon submission of CMI’s invoices. Performance of CMI’s obligations shall be extended for a period equaling the period of buyer’s nonfulfillment of any portion of the payment terms herein, whether or not CMI suspends performance, and such additional time as may be reasonably necessary under the circumstances.

- Taxes, Duties & Fees:** Prices do not include any property, license, sales, use, excise, gross receipts, value added, duties, tariffs, or other taxes or fees (whether imposed by the United States, any state or locality, or any other government or any subdivision thereof or any taxing authority or agencies thereof) which may be applicable to, or imposed upon, the transaction, the property, its sale, repair, overhaul of, replacement, transportation, delivery, its value or its use, or any services performed in connection therewith. Such taxes are for the account of, and shall be the obligation of, the buyer and the buyer agrees to pay or reimburse any such taxes which CMI or its contractors or suppliers are required to pay.
- Excusable Delay:** CMI shall not be liable for failure to perform or for delay in performance due to any cause beyond its reasonable control including but not limited to fire, flood, strike or other labor difficulty, act of God, any legal



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proceeding, act of any governmental authority, act of the buyer, war, riot, sabotage, civil disturbance, embargo, fuel or energy shortage, wreck or delay in transportation, major equipment breakdown, inability to obtain necessary labor, materials or manufacturing facilities from usual sources, or any act, delay or failure to act of CMI's suppliers and subcontractors of any tier beyond CMI's or supplier's or subcontractor's reasonable control. In the event of delay in performance due to any such cause, the date of shipment or time for completion will be extended by a period of time reasonably necessary to overcome the effect of such delay.

- 7. Warranty:** CMI warrants that all components and assemblies that have been fabricated, overhauled or repaired at its facilities ("Product") against defects in workmanship for the lesser of: (i) one (1) year from the date of shipment of Product by CMI to the customer or (ii) One Thousand (1,000) operating hours from the date of installation. Defects must be discovered within the warranty period and CMI must receive written notice within (10) days from the date of such discovery. CMI shall not be obligated to repair or replace any Product which is found to be defective for any reason after the above warranty period has expired. The scope of this warranty is limited to repair or replacement, at CMI's option, of Product that is, upon inspection, found to be defective in workmanship. Further, such repair or replacement, in order to be covered, must be accomplished by CMI or other facility authorized in writing by CMI. The warranty does not cover and Product which has been adjusted, repaired or modified prior to returning it to CMI as set forth herein for warranty consideration. The warranty period for the repaired or replaced Products and services will be the remaining duration or remaining operating hours of the original warranty period, whichever is less.

CMI does not assume any responsibility for the repair or replacement of any parts, items or components or any other such item, other than the Product manufactured, overhauled or repaired by it or otherwise referred to in the paragraph above.

Repair or replacement of any Product under this warranty will not extend the period or warranty coverage set forth above.

CMI does not assume any responsibility for transportation costs in connection with the repair or replacement for any Product under this warranty, except when such transportation has been authorized in writing by CMI.

- 8. NO CONSEQUENTIAL DAMAGES:** THE SOLE AND EXCLUSIVE REMEDY UNDER THIS WARRANTY IS LIMITED TO REPAIR OR REPLACEMENT (AT CMI'S OPTION) AS SPECIFIED ABOVE. THE FOREGOING WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESSED OR IMPLIED BY OPERATION OF LAW OR OTHERWISE INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CMI SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES DIRECTLY OR INDIRECTLY ARISING FROM THE SALE, HANDLING OR USE OF THE PRODUCT OR FROM ANY OTHER CAUSE RELATING THERETO AND CMI'S LIABILITY, IN ANY CASE, IS EXPRESSLY LIMITED TO THE REPAIR OR REPLACEMENT (AT CMI'S OPTION) OF PRODUCT OR, AT CMI'S ELECTION, TO THE REPAYMENT OR CREDITING OF CUSTOMER WITH AN AMOUNT EQUAL TO THE PURCHASE PRICE.



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IF BUYER'S PRODUCT IS DAMAGED OR LOST WHILE IN THE CUSTODY OF CMI, OR IN THE CUSTODY OF ANY CMI AGENT OR CONTRACTOR, CMI'S LIABILITY SHALL BE LIMITED TO THE COST OF REPAIR OR REPLACEMENT (AT CMI'S OPTION) OF THE AFFECTED PRODUCT IN THE CONDITION IN WHICH IT WAS RECEIVED BY CMI. CMI'S LIABILITY FOR CUSTOMER'S DAMAGES FROM ANY CAUSE WHATSOEVER WITH RESPECT TO THE OVERHAUL OR REPAIR OF CUSTOMER'S PROPERTY, WHETHER DUE TO CMI'S NEGLIGENCE OR TO ANY OTHER REASON, IS LIMITED TO REPAIR OR REPLACEMENT COST (AT CMI'S OPTION). WITHOUT LIMITATION, CMI HAS NO LIABILITY WHATSOEVER TO BUYER FOR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, LOST REVENUE OR LOSS OF USE OF THE PRODUCT. CUSTOMER SHALL MAINTAIN IN EFFECT PROPER LIABILITY INSURANCE COVERAGE, IN AN AMOUNT COMPLYING WITH INDUSTRY STANDARDS, RELATIVE TO ANY PRODUCT TO BE REPAIRED OR OVERHAULED BY CMI.

No person is authorized to give any other warranty or to assume any additional obligation or liability on behalf of CMI, without its express written approval; such approval must be by a duly authorized representative of CMI.

The sale of any Product and any claims, disputes, litigation or other matters arising hereunder or in connection therewith ("Disputes") shall be governed by and interpreted in accordance with the substantive laws of the State of Connecticut that are applicable to contracts made and to be performed in that state, regardless of the laws that otherwise govern under or relating to the sale of any Product under applicable conflicts of laws. Except as provided herein, any Disputes shall be brought, and jurisdiction and venue shall be proper only in a state or federal district court in Hartford, Connecticut. Notwithstanding the foregoing, at the sole discretion of CMI, any Dispute relating to the sale, repair, overhaul or service of any Product may be submitted for resolution in accordance with the Commercial Arbitration Rules of the American Arbitration Association in Hartford, Connecticut. Upon such Dispute being submitted to the American Arbitration Association for resolution, the arbitrator or arbitrators shall assume exclusive jurisdiction over the Dispute and the decisions of such arbitrator or arbitrators shall be binding and shall be entered in any court of competent jurisdiction.

9. **LIMITATION OF LIABILITY:** Buyer expressly agrees that, notwithstanding any other provision of these terms and conditions, under no circumstances shall CMI's total aggregate liability resulting from the performance, failure to perform or breach of CMI's obligations herein or from any activity undertaken by CMI with respect to these items, repairs and services covered by this contact, whether based on negligence of any kind, strict liability or tort, on the part of CMI or its suppliers or subcontractors of any tier, or otherwise, exceed the value of the purchase order or delivery order which is applicable to the item or parts in question. Without limitation of the foregoing, CMI shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages. If Buyer is supplying Products or services to a third party, or using Products or services at a facility owned by a third party, Buyer shall either (i) indemnify and defend CMI from and against any and all claims by, and liability to, any such third party in excess of the limitations set forth in this paragraph, or (ii) require that the third party agree, for the benefit of and enforceable by CMI, to be bound by all the limitations included in this paragraph.



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10. **Customer Change Requests:** Any changes in orders requested by buyer, including without limitation the scope of work, delivery, or increase or decrease in quantities shall only be effective if accepted in writing by CMI. Such changes may require other terms and conditions to be modified, including price terms and CMI reserves the right to make such adjustments.
11. **Inspection and acceptance of Product:** Buyer agrees that it shall inspect the Products and services immediately upon receipt and promptly notify CMI in writing of any non-conformity or defect. Buyer further agrees that failure to give such prompt notice or use of the Product or services shall constitute acceptance of the Products and services. Acceptance of the Products and services shall be final and buyer waives the right to revoke its acceptance for any reason, whether or not known by buyer at the time of such acceptance. The issuance of any notice regarding any non-conformity or defect by buyer shall automatically cause the provisions of CMI's warranty to apply and govern the rights, obligations and liabilities of the parties with respect to such nonconformity or defect in the Products and services.
12. **Confidential Information:** Buyer agrees that the definition of Confidential Information means any data or information that is proprietary to CMI and not generally known to the public, whether in tangible or intangible form, whenever and however disclosed, including, but not limited to: (i) any marketing strategies, plans, financial information, or projections, operations, sales estimates, business plans and performance results relating to the past, present or future business activities of such party, its affiliates, subsidiaries and affiliated companies; (ii) plans for products or services, and customer or supplier lists; (iii) any scientific or technical information, invention, design, process, procedure, formula, improvement, technology or method; (iv) any concepts, reports, data, know-how, works-in-progress, designs, development tools, specifications, computer software, source code, object code, flow charts, databases, inventions, information and trade secrets; and (v) any other information that should reasonably be recognized as confidential information of the Disclosing Party. Confidential Information need not be novel, unique, patentable, copyrightable or constitute a trade secret to be designated Confidential Information. The Buyer acknowledges that the Confidential Information is proprietary to the Disclosing Party, has been developed and obtained through great efforts by CMI and that CMI regards all its Confidential Information as trade secrets.

Notwithstanding anything in the foregoing to the contrary, Confidential Information shall not include information which: (i) was known by the Buyer prior to receiving the Confidential Information from CMI; (ii) becomes rightfully known to the Buyer from a third-party source not known (after diligent inquiry) by the Buyer to be under an obligation to Disclosing Party to maintain confidentiality; (iii) is or becomes publicly available through no fault of or failure to act by the Buyer in breach of this Agreement; (iv) is required to be disclosed in a judicial or administrative proceeding, or is otherwise requested or required to be disclosed by law or regulation, although the requirements of paragraph 4 hereof shall apply prior to any disclosure being made; and (v) is or has been independently developed by employees, consultants or agents of the Buyer without violation of the terms of this Agreement or reference or access to any Confidential Information.

The Buyer agrees to use the Confidential Information solely in connection with the current or contemplated business relationship between the parties and not for any purpose other than as authorized by this Agreement without the prior written consent of an authorized representative of CMI. No other right or license, whether expressed or implied, in the



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Confidential Information is granted to the Buyer hereunder. Title to the Confidential Information will remain solely in CMI. All use of Confidential Information by the Buyer shall be for the benefit of CMI and any modifications and improvements thereof by the Buyer shall be the sole property of CMI.

13. **Indemnification:** Buyer shall indemnify, release, defend and hold harmless CMI and its affiliates and its and their directors, officers, employees, agents, representatives, successors and assigns against any and all suits, actions or proceedings at law or in equity (including, without limitation, the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) and from, without limitation, any and all claims, demands, losses, deficiencies, damages, settlements, judgments, assessments, fines penalties, costs, expenses or liabilities, to any person or entity whatsoever (including, without limitation, Buyer's and CMI's employees or any third party), or damage to any property (including Buyer's property) arising out of or in any way connected with the performance or the furnishing of Products and services under these terms and conditions, regardless of whether any act, omission, negligence (including any act, omission or negligence relating to the manufacture, overhaul, repair, or service of any Products and services furnished hereunder) of CMI or its affiliates or its or their directors, officers, employees, agents, representatives, successors or assigns caused or contributed thereto. If Buyer fails to fulfill any of its obligations under this paragraph, Buyer agrees to pay CMI all costs, expenses and attorney's fees incurred by CMI to establish or enforce CMI's rights hereunder. The provisions of this paragraph are in addition to any other rights or obligations set forth in these terms and conditions.
14. Supplier shall allow CMI or Government access to their facility with reasonable notice for the purpose of evaluating any product/service for which CMI has pending order or for supplies/services previously delivered.
15. If the purchase is subject to Federal Aviation Regulation 14 CFR Part 145-223(b), acceptance of the order will be deemed Suppliers consent to allow the FAA and/or EASA to inspect and observe any maintenance functions performed on behalf of CMI, Inc. in accordance with the regulation. If Supplier does not consent, Supplier is directed to not perform any activity and return all repair items to CMI immediately.
16. These terms and conditions are written to accompany Columbia Manufacturing Purchase Order Quality Clauses form 406-12. If any clause herein is found to be in conflict with a clause in form 406-12 then the language in form 406-12 shall prevail. Columbia Manufacturing, Inc. is an equal employment opportunity employer and is a Federal Contractor. Consequently, the parties agree that, as applicable, they will comply with Executive Order 11246, the Vietnam Era Veterans Readjustment Assistance Act of 1974 and Section 503 of the Vocational Rehabilitation Act of 1973 as well as Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and agree that these laws are incorporated herein by this reference.

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