

Artisan Industries, Inc.

Terms & Conditions of Sale

Offer And Acceptance. It is important that you read and understand the terms and conditions of sale. In this agreement the term "you" or "buyer" means you as the buyer and the organization you represent. Your rights and obligations and the rights and obligations of Artisan Industries, Inc. ("we" or "us") relating to the sale of products or services are governed by these terms and conditions. These terms and conditions shall apply to all transactions between us and you. You may accept, or confirm orders using your form documents; provided, however, that no terms or conditions therein shall apply. You are hereby notified that Artisan Industries, Inc. objects to any additional or different terms or conditions contained in any acceptance or any offer made by you unless approved by Artisan Industries in writing. By ordering products or services from us, you are confirming acceptance of these terms and conditions. Except as stated in these terms and conditions of sale, we will not be responsible for any loss resulting from any use of our products, materials, services, information, recommendations, or advice.

Price, Quantity And Subject Matter. The price, quantity and subject matter of the products to be provided are specified on accompanying invoice. Prices do not include shipping, insurance, sales or excise taxes, customs, or duties unless otherwise specified; such charges may be itemized separately on an invoice and shall be paid by the buyer. Delivery by Artisan Industries, Inc. of 10% more or less of products than the quantities specified shall be deemed delivery of products ordered. The quantities and weights of products shown on the invoice shall govern all disputes between the parties, unless buyer gives written notice of shortage to the agent of delivering carrier and Artisan Industries, Inc. within 24 hours of receipt of products by buyer.

Delivery. Unless otherwise specifically provided, delivery of products is F.O.B. Artisan Industries' shipping point. Risk of loss or damage shall pass to buyer upon delivery of the products by Artisan Industries to a carrier. Delivery, shipment and other performance dates are estimates only, and in no event shall Artisan Industries, Inc. have any liability for loss of use or for any direct, consequential, or incidental damages resulting from any delay or failure in delivery, regardless, of the reason(s) for such delay or failure.

Payment Terms. If Artisan Industries, Inc. extends credit to you, payment is due within thirty (30) days after the invoice date unless stated otherwise on invoice. Invoices for or related to tooling, tool modifications and or tool maintenance are due upon receipt unless stated otherwise on invoice. Any and all clerical and or stenographical errors on quotations or invoices are subject to correction by Artisan Industries, Inc. at any time. Artisan Industries, Inc. may assess a finance charge on all invoice amounts past due at a rate of 1.5% per month or the maximum rate permitted by law. You agree to pay Artisan Industries, Inc. reasonable collection costs including attorney fees for delinquent accounts. Title to the products sold hereunder shall remain with Artisan Industries, Inc. until the entire purchase price and all other charges and expenses are paid in full. Upon default by the buyer for any reason, Artisan Industries, Inc. may, without notice to the buyer, declare all liabilities and obligations immediately due and payable and shall have all rights and remedies of a secured party under the uniform commercial code.

Limited Warranty. ARTISAN INDUSTRIES, INC. WARRANTS THAT THE PRODUCTS IT MANUFACTURES AND DISTRIBUTES ARE SUBSTANTIALLY FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP AND WILL CONFORM TO THE SPECIFICATIONS IN EFFECT AT THE TIME OF MANUFACTURE, OR SUCH OTHER SPECIFICATIONS AS SHALL HAVE BEEN EXPRESSLY AGREED UPON IN WRITING BETWEEN US AND YOU. YOU WILL INSPECT ALL PRODUCTS FOR DAMAGE, DEFECT OR SHORTAGE PROMPTLY AFTER YOU RECEIVE THEM, AND WILL GIVE ARTISAN INDUSTRIES, INC. PROMPT NOTICE OF ANY DAMAGE, DEFECT, OR SHORTAGE THAT YOU FIND. ARTISAN INDUSTRIES WILL CONSIDER ADJUSTMENT OR REPLACEMENT OF DEFECTIVE PRODUCTS ONLY IF BUYER SUBMITS WRITTEN NOTICE OF ANY CLAIMED DEFECT TO ARTISAN INDUSTRIES WITHIN 30 DAYS AFTER BUYER'S RECEIPT OF SUCH PRODUCTS OR THE ORIGINAL DATE FIXED FOR DELIVERY. FAILURE TO GIVE WRITTEN NOTICE OF ANY CLAIM WITHIN (30) DAYS FROM DATE OF DELIVERY, OR THE DATE FIXED FOR DELIVERY SHALL CONSTITUTE A WAIVER BY BUYER OF ALL CLAIMS REGARDING SUCH PRODUCTS. ARTISAN INDUSTRIES, INC. SHALL NOT, UNDER ANY CIRCUMSTANCES, BE RESPONSIBLE FOR ANY DEFECTS UNLESS ARTISAN INDUSTRIES HAS A FULL OPPORTUNITY TO INVESTIGATE ANY CLAIMED DEFECTS. IF ANY PRODUCT IS DETERMINED NOT TO CONFORM TO THE WARRANTY SET FORTH ABOVE THEN ARTISAN INDUSTRIES, INC. SHALL, AT ITS OPTION, EITHER REPLACE THE DEFECTIVE PRODUCT OR REFUND THE PURCHASE PRICE. DEFECTIVE PRODUCTS SHALL NOT BE RETURNED BY BUYER UNTIL AUTHORIZED BY US. THIS REMEDY IS ARTISAN INDUSTRIES, INC. EXCLUSIVE REMEDY FOR BREACH OF WARRANTY. THIS LIMITED WARRANTY IS GIVEN ONLY TO THE ORIGINAL PURCHASER, IT MAY NOT BE TRANSFERRED OR ASSIGNED AND DOES NOT EXTEND TO ANY SUBSEQUENT PURCHASER OR TRANSFEREE OF PRODUCTS. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. ARTISAN INDUSTRIES, INC. MAKES NO WARRANTIES WITH RESPECT TO THE NON-INFRINGEMENT OF ANY PATENT, PATENTABILITY, OR PROPRIETARY RIGHTS REGARDING PRODUCTS.

Limitation Of Liability. EXCEPT AS AGREED IN THE LIMITED WARRANTY SET FORTH ABOVE, ARTISAN INDUSTRIES, INC. WILL NOT BE RESPONSIBLE FOR ANY HARM ARISING OUT OF BUYER'S PURCHASE, POSSESSION OR USE OF ANY PRODUCT, WHETHER BASED IN CONTRACT, WARRANTY, NEGLIGENCE OR OTHER TORT, STRICT LIABILITY OR OTHERWISE. ARTISAN INDUSTRIES, INC. WILL NOT BE LIABLE FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, EQUIPMENT DOWNTIME, COST OF ANY SUBSTITUTE FOR PRODUCTS, CLAIMS OF THIRD PARTIES OR INJURY TO PERSONS OR PROPERTY. THIS LIMITATION SHALL APPLY NOTWITHSTANDING A FINDING THAT ANY REMEDY FAILS ITS ESSENTIAL PURPOSE.

Indemnification. You agree to indemnify and hold harmless Artisan Industries, Inc., its affiliates, and employees and agents of any of them, from and against any and all actual or threatened liabilities, damages, losses, demands, judgments, causes of action, claims (including but not limited to, claims of patent, copyright and/or trade secret infringement), expenses, and costs including attorney's fees and investigation, fines, penalties, and any other charges which arise from or relate to buyer's actual or intended use of the products, or the performance, non-performance or purported performance of any covenant or agreement, or the breach of any representation, warranty, covenant or agreement hereunder.

Force Majeure. Artisan Industries, Inc. will not be responsible for performance of any obligation if it becomes impossible or commercially unreasonable due to any cause or event beyond its reasonable control, including, without limitation, acts of God, acts of any governmental authority, acts by you, acts of terrorism, war, civil disturbance, labor disruption or strike, fire, explosion, release of dangerous or hazardous materials, inability to obtain necessary raw materials, utilities, transportation, machinery or services, and any similar or dissimilar cause or event.

Modification. No amendment, change, alteration, modification, or waiver of any provision hereof shall be binding on Artisan Industries, Inc. unless made in writing and signed by an authorized representative of Artisan Industries. Failure of Artisan Industries, Inc. to enforce any rights arising under the contract, including a breach or default by buyer, shall not be construed as a waiver of any other rights of Artisan Industries or any other breach or default by buyer. Should buyer breach this contract in any manner, buyer shall be liable to Artisan Industries for all costs and expenses incurred by Artisan Industries as a result, including reasonable attorney's fees.

Governing Law. These terms shall be governed by the laws of the State of Washington with out regard to that state's conflict of law principles. Buyer agrees that jurisdiction and venue of any legal action relating to the transactions shall be in the State of Washington in the County of Snohomish. These standard terms and conditions and accompanying invoice contain the entire agreement between the parties regarding the subject matter described herein, and supersede all prior and contemporaneous understandings and proposals, written or oral. If any portion of this contract is determined to be unenforceable it will not affect the enforceability of the remaining provisions.