



DATE:

STANDARD TERMS AND CONDITIONS OF SALE

CUSTOMER:

PO #:

PROGRAM:

BUYER:

PAYMENT TERMS: Net 30 days

FREIGHT: Collect, FOB Acton, MA USA

1. CONDITIONAL ACCEPTANCE.

In cases in which Haartz is *accepting an order* for its products, Haartz' acceptance of such order is expressly conditional on the Buyer's assent to the additional or different terms and conditions included in this document. The Buyer's acceptance of delivery of any of Haartz' products, or the Buyer's failure to object in writing to Haartz' terms and conditions within five days after it receives this document, will constitute the Buyer's assent to Haartz' terms and conditions, upon which Haartz will rely in completing the Buyer's order.

2. LIMITED OFFER.

In cases in which Haartz is *offering to sell* its products, Haartz offers to sell such products only on the terms and conditions included (a) in our offer or quotation letter and (b) in this terms and conditions document. Our offer, and the Buyer's acceptance of it, is expressly limited to such terms and conditions. Haartz objects to, and rejects any attempt to include, any additional or different terms or conditions in any acceptance of any offer. Regardless of the Buyer's inclusion of any different or additional terms, any resulting agreement is limited to Haartz' terms and conditions.

3. FABRICATION LEAD TIME.

Typical lead-time is 5 weeks, once raw material pipeline has been filled. Haartz is not responsible for expedited freight for any items ordered or increased without sufficient lead-time. Once an item is removed from a release, or decreased below the minimum run level, the lead time begins again the next time that item is released. Releases should reflect the fabrication and raw material lead times stated here. If they do not, materials will be purchased and built based on weekly averages.

4. RAW MATERIAL LEAD TIME.

A lead-time of 8 to 16 weeks may be required, depending on raw material components. Please refer to specific information in the official quotation letter.

5. LATE SHIPMENTS.

Costs incurred for late shipments will be negotiated with the Buyer on a case-by-case basis, provided lead times and all other terms have been adhered to.

6. CHANGES TO RELEASES (also known as prenotices, forecasts, or orders)

Release quantities cannot be decreased once the material has been made for a previous release, within the stated lead-time. The Buyer is responsible for accepting shipment on the previously stated ship date. **If shipment is refused, Seller has the right to invoice Buyer.**

7. CANCELLATION OF ORDER.

Under certain circumstances, Haartz may terminate its obligation to supply all or part of a purchase order upon 60 days written notice to the Buyer. In addition to accepting finished goods inventory, the Buyer is also responsible for materials in process, and all raw materials purchased for a program. If the Buyer fails to meet the agreed payment terms, Haartz reserves the right to discontinue supply and cancel any open balance on the purchase order.

8. FORCE MAJEURE.

Acts of God, strikes, civil disorder, government actions, and other unforeseeable, unavoidable occurrences will release Haartz from its obligations for the length of the occurrence and to the extent of its effects. This also applies when these occurrences take place at a time in which Haartz is in default. Haartz is obligated to provide this information to the Buyer, as soon as reasonably possible under the conditions, and to adapt its obligations to the altered circumstances in good faith.

9. CHANGES.

In the event of significant increases in the cost of raw materials or of other impact items, Haartz reserves the right to pass these costs on to the Buyer. If the Buyer requests an engineering change to a product, then Haartz has the right to pass along any costs associated with that change. The Buyer will be responsible for inventory and raw materials purchased for the previous construction and for validating any changes.

10. MINIMUM ORDER QUANTITIES.

The minimum acceptable order is 2,000 extruded yards, or a specific quantity stated in official quotation. Minimum runs have a yield tolerance of +/- 10%. Smaller quantities may be available with a surcharge. Small runs are considered complete upon manufacture, regardless of yield, and may be shipped up to 25% over the requested amount.

11. PROPRIETARY RIGHTS.

Haartz reserves the right to keep technical, trade secret, patents and costing information proprietary.

12. WARRANTY AND LIMITATIONS.

Haartz warrants that its products are free from defects in material and workmanship and are in compliance with the agreed to written specifications, if any, Haartz has supplied for the products (except for shelf life restrictions, paragraph 16, below). Haartz' exclusive obligation under this warranty, at its option, is replacing, repairing or issuing credit for the amount paid for the products. Any charges or costs not covered by this warranty will be negotiated on a case-by-case basis. Haartz will have a minimum of 30 days to resolve any significant quality dispute. **Haartz disclaims any warranty of its products, express or implied, except as specifically set forth in this paragraph including, but not limited to, the warranties of merchantability and fitness for a particular purpose.**

No other statement, description or promise of any kind constitutes a warranty. Under no circumstances will Haartz be liable for any damages or loss (including, without limitation, direct, consequential, economic, indirect and other damages, loss of production or down time) under any theory of liability, except for replacing, repairing or issuing credit for the products.

13. OBSOLESCENCE.

Obsolescence will be calculated based on stated finished goods and raw material lead times. Invoices for obsolete material will be sent within 30 days from build out, and are subject to current payment terms. To assist with the build out process, Haartz will accept orders for as little as 500 extruded yards per color without a surcharge on a one-time basis only. Cost relating to the disposal of obsolete materials will be the responsibility of the Buyer.

No new model material will be manufactured until all obsolescence claims have been settled.

14. SERVICE PARTS.

Haartz will support service parts for 3 years after balance out at twice production pricing, with a minimum order quantity of 500 extruded yards per color, and an 8-week lead-time. However, lead times and minimums may vary depending on raw material availability. Set up charges may apply. No service parts will be manufactured until all obsolescence claims have been settled.

15. DEFECT FLAGGING.

Haartz' defect flagging procedure and allowances are based on General Motor's Procedure 9224P.

16. SHELF LIFE.

Most Haartz products are unaffected by age. However, some interior and exterior products have an approximate shelf life of 6 months, while trilaminate interior trim products have an approximate shelf life of 3 months. Shelf life is calculated from date of manufacture. Haartz is not responsible for material failures which occur after the shelf life period has expired.

17. TERMS

Sales under these terms and conditions (these "Terms") are by Haartz ("Seller") to the person named as the buyer or purchaser in the documentation to which these Terms are attached or with which they are associated ("Buyer") are conditional upon Buyer's assent to these Terms. If these Terms are first tendered to Buyer before Buyer tenders a purchase order or similar document to Haartz, these Terms are in lieu of any terms later submitted by Buyer and Haartz rejects all additional or different terms and conditions of Buyer, whether confirmatory or otherwise. If Haartz tenders these terms after the tender by Buyer of other terms, whether as part of a purchase order or otherwise, then Haartz's acceptance of any offer by Buyer associated with Buyer's terms is expressly conditioned upon Buyer's acceptance of these Terms exclusively, including any additional or different terms contained in these Terms. Buyer's performance, or acceptance of, or payment for, any products from Haartz, will constitute Buyer's acceptance of these Terms. These Terms, together with the associated description of the products and quantity and price terms that are the subject of the purchase and sale transaction under these Terms constitute an "Order."

18. RESERVATION OF PROPERTY

Goods are supplied under Reservation of Property Rights – goods remain property of The Haartz Corporation until paid in full.

These Terms and Conditions supersede all prior terms and conditions. Rev 5/14/09