



CUSTOMER SUPPLIED PRODUCT TERMS & CONDITIONS

- ACCEPTANCE:** Unless otherwise agreed in writing, these Terms and Conditions (the "Terms") apply to the provision of services related to customer supplied product ("CSP") by Precision, Inc. (d/b/a/ Precision Pulley & Idler) ("PPI") as described on the price quote provided by PPI (the "Quote") or the Invoice submitted to customer ("Customer") in response to Customer's request for CSP servicing. These Terms control if there is a conflict between these Terms and the face of the Quote, the face of the Invoice, or Customer's request. Performance of the Services (defined below) does not constitute acceptance of provisions of Customer's request for services that are different from or additional to these Terms – such additional or different terms are rejected. Acceptance of the Quote shall constitute Customer's agreement that: (1) Customer accepts these Terms and any additional terms in the Quote or Invoice; (2) Customer's request did not limit acceptance to the terms of the request; (3) that PPI's Terms do not materially alter Customer's offer for services; and (4) Customer has not, and will not, object to these Terms.
- SERVICES:** PPI shall provide the services to Customer as described in the Quote (the "Services") in accordance with these Terms.
- PERFORMANCE DATES:** All CSP must be received at PPI by the date required as set forth in the PPI CSP Form (the "Date Required"). The estimated delivery date to complete the Services is based on beginning the Services on the Date Required. Delivery date(s) are estimates only and shall not be binding on PPI. PPI shall be required to deliver serviced CSP to Customer within a reasonable time of the scheduled delivery date. Unless the face of the Invoice otherwise provides, serviced CSP shall be shipped, and delivery accepted, F.O.B. PPI's Plant, Freight Prepaid. Method and route of shipment of the serviced CSP are at PPI's discretion unless otherwise provided by the Customer.
- CUSTOMER'S OBLIGATIONS AND ACKNOWLEDGEMENTS:** Customer shall: (a) respond promptly to any PPI request to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for PPI to perform Services in accordance with these Terms; and (b) provide such customer materials or information as PPI may reasonably request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects. CSP sent to PPI for servicing must contain proper documentation and/or tagging of the CSP number. PPI reserves the right to reject shipment in the event CSP is sent without proper documentation and/or tagging. Customer acknowledges that PPI shall not be responsible for any damage to CSP components during disassembly that results from components that have been in service for extended periods of time. Such a determination shall be made in PPI's reasonable discretion. Customer further acknowledges that PPI may scrap any and all unused CSP after thirty (30) days of receipt by PPI if not requested to be returned to Customer. Any CSP held by PPI beyond thirty (30) days is subject to storage fees.
- PAYMENT AND FEES:** In consideration of the provision of Services by PPI and the rights granted to Customer under these Terms, Customer shall pay the fees set forth in the Quote. Customer shall pay all invoiced amounts due to PPI within thirty (30) days from the date of PPI's invoice. In the event payments are not received by PPI within 30 days, PPI may: (i) charge interest on any such unpaid amounts at an annual rate of twelve percent (12%) per month or, if lower, the maximum amount permitted under applicable law, from the date such payment was due until the date paid; and (ii) suspend performance for all Services until payment has been made in full. In the event a CSP is found not usable upon inspection by PPI, and in PPI's sole discretion cannot be reworked, the Customer shall be charged for the disassembly, stripping and inspection charges or any combination of these services. In the event any CSP received by PPI requires cleaning prior to commencing any work required by PPI, Customer may be charged a cleaning fee. In the event any CSP contains hazardous material, Customer may be charged a fee, in PPI's reasonable discretion, for hazardous material disposal. In the event Customer requests a CSP to be returned to Customer after receipt of the CSP by PPI and prior to commencing any work by PPI, the Customer shall be charged a preparation fee for shipping to cover labor, organization, and to palletize and band the CSP for shipping. Any Services done by PPI prior to Customer cancellation shall be charged to Customer based on the costs incurred by PPI through the date PPI receives the cancellation request by Customer.
- TAXES:** Customer shall be responsible for all sales, use, excise and similar taxes, duties and charges of any kind on any amounts payable by Customer hereunder.
- LIMITED WARRANTY:** PPI represents and warrants to Customer that it shall perform the Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and shall devote adequate resources to meet its obligations. PPI shall not be liable for a breach of the warranty set forth in this Section unless Customer gives written notice of the defective Services, reasonably described, to PPI within ten (10) days of the time when Customer discovers or should have discovered that the Services were defective. Subject to the foregoing, PPI shall, in its sole discretion, either: (i) repair or re-perform Services; or (ii) credit or refund the price of such Services at the pro rata contract rate.
- EXCEPT FOR THE WARRANTY SET FORTH IN ABOVE, PPI MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES, INCLUDING ANY (A) WARRANTY OF MERCHANTABILITY; (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (C) WARRANTY OF TITLE; OR (D) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.**

LIMITATION OF LIABILITY:	<p>(a) IN NO EVENT SHALL PPI BE LIABLE TO CUSTOMER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR DIMINUTION IN VALUE, OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT CUSTOMER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.</p> <p>(b) IN NO EVENT SHALL PPI'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THE CSP WORK FOR CUSTOMER, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AMOUNT PAID OR PAYABLE TO PPI PURSUANT TO THE APPLICABLE QUOTE GIVING RISE TO THE CLAIM.</p>
WAIVER:	No omission or delay by PPI in enforcing rights or requiring performance shall be a waiver. No waiver of any provision of these Terms shall: (a) be binding unless given in writing and signed by an authorized officer or agent of PPI; or (b) imply a continuing waiver of that provision for the future or of any other provisions in these Terms, unless the waiver expressly so states.
INDEMNIFICATION:	Customer shall defend and indemnify PPI from any and all loss, costs, damages, claims or liabilities, including attorneys' fees and court costs, arising from the use of the CSP by Customer after PPI's delivery of the CSP upon PPI's completion of the Services in accordance with these Terms.
TERMINATION:	In addition to any remedies that may be provided under these Terms, PPI may cease work on the CSP upon written notice to Customer, if Customer: (a) fails to pay any amount when due and such failure continues for fifteen (15) days after Customer's receipt of written notice of nonpayment; (b) has not otherwise performed or complied with any of these Terms; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.
FORCE MAJEURE:	PPI shall not be liable or responsible to Customer for any failure or delay in fulfilling or performing its obligations when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of PPI including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lock-outs, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.
GOVERNING LAW:	Customer's request for Services, the Quote, Invoice, these Terms and the parties' relationship shall be governed by Iowa law, excluding choice of laws provisions. The parties irrevocably submit to the exclusive jurisdiction/venue of the courts in the State of Iowa for resolution of all disputes, and consent to the personal and exclusive jurisdiction and venue of these courts.
ATTORNEY'S FEES:	In the event of litigation between PPI and Customer concerning these Terms, Customer agrees to reimburse PPI for all reasonable expenses, including attorneys' fees, incurred for any claims as to which PPI is the prevailing party.
MISCELLANEOUS	The Quote, the Invoice and these Terms constitute the parties' entire understanding as to the subject matter hereof; shall not be modified except in a writing signed by an authorized officer or agent of PPI and Customer; shall bind/benefit the parties and their permitted successors and assigns; and shall not be assigned or delegated without the other party's prior written consent. If any provision herein is determined by a court to be unenforceable, the remainder shall not be affected. Covenants, warranties and indemnifications survive delivery of the serviced CSP in accordance with their terms.



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