

## Terms & Conditions of Sale – R B Machine, Inc. – Revision A 11-9-2022

1.	<b>Contract:</b>	The Quote (enclosed with these Terms) is for R B to custom build parts to Buyer's specifications and will remain open for 30 days, unless stated otherwise. The Quote and each purchase order (whether a standard purchase order or a blanket purchase order) ( <b>Order</b> ) related to the Quote are subject to these Terms and Conditions ( <b>Terms</b> ). These Terms and each Quote and corresponding Order (when accepted by R B) constitute the <b>Contract</b> .
2.	<b>Orders:</b>	Orders must be in writing. No Order is binding until accepted by R B. R B is not responsible for the design of any part or the intended use of any part, and makes no representation for any part's fitness or suitability for a particular application.
3.	<b>No Additional Terms:</b>	By sending R B an Order that agrees with the Quote as to the description of parts and the quantity, price and delivery schedule thereof, Buyer accepts the Quote and R B's Terms. R B hereby objects and rejects any additional or different terms on any Order or other documentation submitted by Buyer (whether consistent or inconsistent with these Terms). This is a continuous objection and no further notice of objection is required.
4.	<b>Delivery:</b>	R B will endeavor to ship finished parts by the delivery date in the Quote, but shipment within 30 days after such date will not give Buyer the right to cancel. R B may make partial or installment shipments. Acceleration of delivery dates must be approved in advance by R B.
5.	<b>Prices:</b>	Prices are subject to change as set forth in these Terms. R B reserves the right to correct any clerical errors, including those related to pricing. R B also reserves the right to increase the prices in the Quote if there is an increase in its cost of materials that exceeds 10% of the price on the Quote (including, but not limited to, for example, imposition of a tariff), whether as a result of one large increase or several incremental price increases. The price increase is retroactive to the date R B first was charged the increased cost.
6.	<b>Taxes:</b>	If applicable, Buyer shall pay all taxes, duties and other charges (together the <b>Taxes</b> ) on the raw materials and on the finished parts. Such Taxes will be invoiced to Buyer as separate line items and will be due from Buyer in addition to all other amounts due.
7.	<b>Payment:</b>	Unless otherwise agreed to, net 30 payment terms from date of invoice shall apply, with a 1%/10 discount option. Because the parts are built to Buyer's specifications, payment is not contingent upon the parts performing the function for which Buyer intended. Interest is charged on all amounts not paid when due at 1.5% per month or the maximum amount allowed by law, whichever is lower.
8.	<b>Title:</b>	Title to the parts and risk of loss transfer to Buyer upon delivery of the parts to the initial carrier at R B's dock.
9.	<b>Specifications</b>	The parts quoted in the Quote will meet only those specifications stated on the face of the Quote, the Order and the accompanying engineering drawing(s).
10.	<b>Recommendations</b>	Buyer is responsible for determining whether any recommendations made by R B are appropriate for Buyer's parts and agrees that R B cannot be held liable for any such recommendations.
11.	<b>Special Tools</b>	Special tooling and fixturing ( <b>Tooling</b> ), as assessed in the form of a non-recurring engineering fee ( <b>NRE</b> ), required for the performance of the work described in the Quote that is designed and built by R B will be and remain R B's property whether or not Buyer is charged for time and/or material in connection with the Tooling unless R B agrees otherwise in writing.
12.	<b>Right to Subcontract</b>	Although R B makes every effort to produce all contracted parts from its facility, R B reserves the right to subcontract some or all of the work to third-party shops engaged by R B specifically for overflow work. Such subcontracting is at R B's sole discretion, but is largely used when necessary to maintain reasonable delivery performance. If R B has agreed in writing to a site-specific production guarantee, such as operating under Copy Exact or similar requirements, then this Section 12 will not apply to such parts.
13.	<b>Limitations of Work Performed</b>	Buyer acknowledges that R B's manufacturing services are limited to precision manufacturing and assembly of custom parts. As such, any secondary operations beyond this industry classification are subcontracted to third parties. This includes a number of specialties including, but not limited to, plating, anodizing, painting, powder coating, tinning, silk screening, heat-treating, passivating, laser cutting, and welding. In addition, to the extent that certain parts require integration with other components produced elsewhere, Buyer acknowledges that items such as sheet metal, electronics, labels, some tubing configurations, fittings and hardware, and commercial heat exchangers, are produced by third party suppliers and not R B.
14.	<b>Ownership of Intellectual Property:</b>	Buyer owns all right, title and interest in and to the technology embodied in and related to the parts that are the subject of the Order (except for R B's pre-existing parts) including, but not limited to, product designs, specifications and all intellectual property embodied therein. R B owns all right, title and

		interest in and to all proprietary processes and technology developed by R B and used by R B in determining the manufacturability of parts and manufacturing the parts including, but not limited to, all intellectual property embodied therein. There is no overlap in the intellectual property owned by Buyer and that owned by R B.
15.	<b>Confidentiality:</b>	If the parties have signed a confidentiality agreement (either before or after these Terms are distributed), the signed confidentiality agreement shall supersede this Section 15. Each party shall keep the other party's information confidential and shall not use the other party's information for the benefit of anyone other than the other party to the Contract. Each party shall limit access to the other party's confidential information to those of its employees and agents who need to know such confidential information to perform their job duties in furtherance of the Contract and who are under a duty of confidentiality at least as restrictive as this confidentiality provision. The obligation of confidentiality and non-use shall survive the termination or fulfillment of the Contract for a period of three (3) years, except the confidentiality and non-use obligations under this Agreement shall survive as to trade secrets for so long as the information remains a trade secret.
16.	<b>Cancellation:</b>	Buyer may cancel an Order only if Buyer promptly pays the liquidation costs of the materials already ordered or to which a commitment has been made. All items in process at the time of cancellation will be completed and shipped. R B will continue to ship, and Buyer shall timely pay for, all completed items until a cancellation purchase Order is received by R B.
17.	<b>Freight:</b>	Where prices include freight, R B determines the carrier and routing.
18.	<b>Shipping:</b>	All parts are shipped FOB R B's dock in Denver, Colorado. Buyer shall pay all freight, insurance and other shipping expenses. If there is a delay in shipping caused solely by R B, R B shall, upon Buyer's request, make such shipment on an expedited basis and, in that event, R B shall pay the cost of the difference between regular and expedited shipment.
19.	<b>Inspections:</b>	All parts should be examined by Buyer before transportation receipt is signed. Buyer must notify R B of any shortages in writing within 10 days of receipt of shipment. Buyer must inspect and identify any defects, and request a return material authorization (RMA#), within 30 days of receipt. The items will be deemed accepted without objection 31 days after Buyer's receipt.
20.	<b>Warranty:</b>	R B's warranty is based on the fact that all parts sold to Buyer are manufactured to print only. No warranties are made as to the performance of any part, and R B does not warrant any fitness for any particular use. R B warrants the parts delivered to Buyer will comply with the specifications supplied by Buyer in writing with the Order and will be free from defects in material and workmanship for a period of one year from the date the parts are shipped from R B's dock (regardless of Buyer's warranty term to its customer). <b>THE FOREGOING EXPRESS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. THIS WARRANTY IS STRICTLY AND EXCLUSIVELY LIMITED TO THE REPAIR OR REPLACEMENT OF DEFECTIVE PARTS OR, AT R B'S SOLE OPTION, CREDIT OR REFUND.</b> R B will not be liable for any damage to persons, property, equipment, parts or merchandise arising out of any defect in or failure of any parts manufactured by R B that does not arise solely out of the process used by R B to manufacture the parts. This warranty will be invalidated if any attempted repair or alteration is performed on the parts by anyone other than R B unless R B has authorized the repair in advance in writing. Parts that have been the subject of negligence or misuse or are defective due to external factors not caused by or under the control of R B are not covered by warranty. Buyer is responsible for any damage incurred during return shipment.
21.	<b>Limits on Liability:</b>	<b>IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR OTHER, DAMAGES, LOSSES OR EXPENSES (ALL REFERRED TO AS DAMAGES BELOW) INCLUDING, BUT NOT LIMITED TO, DAMAGE TO PROPERTY, LOST PROFITS, LOST REVENUE, LOST TIME, LOST OPPORTUNITIES, BUSINESS INTERRUPTION, OR INCONVENIENCE ARISING OUT OF A BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EVEN IF THE PARTY HAD NOTICE OF THE POSSIBILITY OF SUCH DAMAGES OR COULD FORESEE THE POTENTIAL FOR DAMAGES. A PARTY'S ENTIRE LIABILITY IS LIMITED TO THE AMOUNT OF THE ORDER THAT IS THE SUBJECT OF THE DAMAGES CLAIM EXCEPT THAT THERE IS NO LIMIT ON LIABILITY FOR A BREACH OF SECTION 14, 15, 26, 27 OR 28 OF THESE TERMS. THE FOREGOING LIMITATIONS APPLY EVEN IF THE REMEDIES FAIL OF THEIR ESSENTIAL PURPOSE.</b>
22.	<b>Returns:</b>	No returns are permitted without a return material authorization (RMA#) obtained from R B's Customer Service Dept. All returned parts must be unused and in new condition. Handling charges will apply. All authorized return shipments must be made as directed by R B and with transportation charges prepaid to point of origin of R B's shipment unless instructed otherwise. Shipments of parts returned without proper authorization or prepayment will be refused and returned to shipper.

23.	<b>Insurance:</b>	Each party shall maintain insurance, including general commercial liability, in an amount and coverage that are customary and reasonable in their respective industries. The parties acknowledge that R B's obligation to insure the parts ends upon delivery of the parts to the initial carrier at R B's dock, and Buyer's obligation to insure the parts begins upon delivery to the initial carrier at R B's dock.
24.	<b>Governing Law; Venue; Attorneys' Fees:</b>	Colorado law governs the Contract without regard to conflicts of laws principles. The parties hereby expressly disclaim application of the United Nations Convention on the International Sale of Goods. Any action to interpret or enforce the Contract shall be brought only in the state or federal courts located in or having jurisdiction over City and County of Denver, Colorado. Buyer hereby irrevocably waives any objection to personal jurisdiction and venue of these courts. The prevailing party in such action shall be awarded its legal costs, attorneys' and expert witness fees.
25.	<b>Force Majeure:</b>	R B is not liable for any failure or delay in performance of its obligations under the Contract to the extent the failure is a result of a Force Majeure not existing as of the Effective Date. <b>Force Majeure</b> means an unexpected and disruptive event beyond R B's reasonable control including, but not limited to, strikes, labor disputes, boycotts (whether with respect to R B, or any of its suppliers, subcontractors or other third parties), civil disturbances, riot, rebellion, revolution, invasion, war, hostilities (regardless of whether war is declared), embargo, natural disaster, acts of God, acts of terrorism, government laws, regulations, orders or sanctions, power failure, casualty, accident, theft, fire, flood, sabotage, national health crisis declared by the U.S., state or local government, shortage of materials or equipment, catastrophic breakdown of equipment, failure of a supplier or subcontractor to perform, inability to obtain or delay in obtaining raw materials, delays in transportation, inability to access electronically stored data, or other circumstances beyond R B's reasonable control. If R B asserts Force Majeure as an excuse for failure to perform, then R B shall take reasonable steps to minimize delay or damages, and fulfill all obligations not excused by this section, and, if foreseeable, it shall have timely notified Buyer of the likelihood or actual occurrence of the Force Majeure.
26.	<b>Indemnity (other than as set forth in Section 27):</b>	Buyer shall defend, indemnify and hold harmless R B from any costs, expenses, losses, damages or liabilities whatsoever (including reasonable attorneys' and expert witness fees) arising from or related to any third party's claim, demand, threat, suit or proceeding (each a <b>Claim</b> ) (a) based on Buyer's design of any product, including, but not limited to, product liability; or (b) personal injury, death, or property damage proximately caused by the design of any product or by the negligence or willful acts or omissions of Buyer. R B shall indemnify Buyer only for R B's acts of gross negligence or willful misconduct.
27.	<b>Indemnity as to Intellectual Property:</b>	Each party shall defend, indemnify and hold harmless the other from any third party Claim of actual or alleged infringement of a third-party's patent, copyright, trade secret, trademark, registered design, maskwork or other right arising from or related to the use or sale related to (a) with respect to Buyer, the design, any specifications, material, processes or information supplied to R B by Buyer or on Buyer's behalf or any items to be incorporated into the parts; or (b) with respect to R B, any materials, processes or information incorporated into, used in or for the manufacture of the parts by R B provided or performed by R B, not including anything supplied or specified by Buyer.
28.	<b>All Indemnity Obligations:</b>	Indemnification of a party includes such party's directors, officers, employees, shareholders, agents, successors and assigns. In addition to the above, indemnity will be available if any Claim is the result of joint negligence, joint misconduct, or joint fault of Buyer and R B, but in such case the amount of the Claim for which a party is entitled to indemnification will be limited to that portion of such Claim attributable to the negligence, misconduct or other fault of that party. The indemnifying party shall not enter into any settlement that affects the indemnified party's rights or interests without the indemnified party's prior written consent unless the settlement provides for a full release of the indemnified party. The indemnity obligations are conditioned on (i) the indemnified party's prompt notification in writing to the indemnifying party of the existence of a relevant Claim, (ii) the indemnified party's permitting the indemnifying party to control the defense, settlement, adjustment or compromise of any such Claim. The indemnified party may employ counsel, at its own expense (provided that if such counsel is necessary because the indemnifying party does not assume control, the indemnifying party will bear such expense), to assist it with respect to any such Claim.
29.	<b>Remedies:</b>	Except where otherwise specifically provided in the Contract, the rights and remedies of the parties under the Contract are not exclusive, and each party may exercise all rights and remedies available to such party under the Contract, at law or in equity.
30.	<b>Failure to Object to Additional Terms:</b>	Failure of R B to object to any additional terms or provisions contained in Buyer's Order or other documentation in addition to the objection set forth in Section 3 above or other communications will not constitute a waiver of the Quote or these Terms, nor acceptance of such additional or different

		terms or provisions. No delay in or failure to exercise any right or remedy will constitute a waiver of such right or remedy.
<b>31.</b>	<b>Modifications:</b>	Except as otherwise expressly provided in these Terms, any modification (including additions) to the Contract or any other document related to the Contract must be in a writing signed by both parties.
<b>32.</b>	<b>Waiver:</b>	No delay in enforcing an obligation under the Contract will be deemed a waiver. Any waiver must be in writing, will apply only to that particular circumstance, will not be a continuing waiver, and will not be a waiver of any other provision in the Contract.
<b>33.</b>	<b>Entire Agreement:</b>	The Quote, these Terms, the Order (subject to Section 3 of these Terms) and the specifications and engineering drawings provided by Buyer corresponding to the Quote or Order constitute the entire agreement between R B and Buyer with regard to each Order and supersede any prior agreements, representations and warranties, whether written or oral. The section headings are for ease of reference only and are not to be used in the interpretation or construction of the Contract. Past practice and terms of dealing between R B and Buyer, or the industry in general, shall not be used to interpret the Contract.
<b>34.</b>	<b>Severability:</b>	If any provision of the Contract is found by a court of competent jurisdiction to be invalid or unenforceable, then the court shall modify such provision to the extent necessary to make such provision valid and enforceable to the fullest extent of the law in a manner which reflects, as nearly as possible, the Parties' intent and economic effect of the invalid or unenforceable provision.
<b>35.</b>	<b>Binding Agreement; Assignment:</b>	The Contract is binding upon and benefits the parties and their respective successors and assigns. Buyer guarantees payment to R B of all amounts due R B on the effective date of any assignment of the Contract by Buyer. Each signatory to the Contract hereby warrants he or she has the authority to enter into the Contract and bind the party on whose behalf he signs to the terms of the Contract.
<b>36.</b>	<b>Relationship of Parties:</b>	The relationship of the Parties is that of independent contractors. Nothing in the Contract (a) constitutes the Parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking, and (b) gives either party authority to direct or control the activities of the other party or bind the other party.
<b>37.</b>	<b>Termination:</b>	Either party may terminate an Order if the other party materially breaches the Order and does not cure such breach within 30 days of receiving notice of such breach. Additionally, either party may terminate the Contract if the other party files for bankruptcy or any other type of protection against creditors, including but not limited to, assignment for the benefit of creditors.
<b>38.</b>	<b>Survival:</b>	The following sections of these Terms shall survive the termination of the Contract: 6, 7, 9-11, 14-15, 18, 20-24, 26-38 and any other section or provision that is reasonably construed to support survival.
<b>37.</b>	<b>Superseded:</b>	These Terms will be superseded if the parties have negotiated a written master contract that contains a separate section therein or incorporates an attachment thereto entitled "Terms and Conditions."