

TagMaster

North America, Inc.

TagMaster North America, Inc. Terms and Conditions of Sale

Unless stated otherwise the 'Seller' is defined to be TagMaster North America, Inc. unless otherwise stated in writing the following conditions shall apply.

1. Proposals and Acceptance.

- a) Proposals are valid for thirty (30) days and represent no obligation until the Seller accepts the Purchaser's order and provides order acknowledgement.
- b) In the event of inconsistency between the Seller and the Purchaser's conditions the Seller's shall prevail. No variation of the Seller's conditions shall be binding upon the Seller until the Proposal has been accepted in writing by a duly authorized person on behalf of the Seller.

2. Price and Delivery.

- a) Prices do not include taxes, shipping and duty charges.
- b) Prices are based on this Proposal however, if such prices are based on a quantity purchase, and the Purchaser fails to purchase such quantity, the Seller shall have the right (in addition to other rights and remedies the Seller may have) to collect from the Purchaser the difference between the price paid by the Purchaser for goods purchased and the Seller's standard price for goods in the quantity purchased by the Purchaser.
- c) Unless otherwise agreed, delivery will be at the Seller's designated shipping point, goods will be packed into the Seller's normal specifications non-returnable packing, and additional freight/shipping charges will be arranged at the request and at the expense of the Purchaser. Where applicable, C.O.D. charges will be added to the price of the goods.
- d) Any delivery period quoted is an estimate only and commences from the time of the Seller's acknowledgement of the Purchaser's order. Provided the Seller takes all reasonable steps to deliver the goods at the time stated the Seller shall be under no liability to do so.
- e) The Seller reserves the right to deliver in more than one consignment and to invoice each consignment separately.
- f) Purchasers outside the USA are responsible at their own expense for obtaining any import license required in the country for which the goods are destined. The Seller is responsible for seeking any export license from the USA that may be necessary unless the Purchaser's office from which the orders are issued is similar to the USA.
- g) Unless different conditions are stated, all contracts for export from the USA shall be in accordance with the laws of the United States or any amendment or re-publication thereof at the time of date of the contract.

3. Product Reschedules.

- a) The Purchaser may, upon advance written notice to the Seller of at least forty-five (45) calendar days prior to the scheduled delivery date, extend the delivery for one line item on the Purchaser's order provided such new delivery date falls within the Seller's same financial half year, without cost or liability. Such extended orders may not subsequently be rescheduled. The Purchaser may not reschedule or make any other modification to any product order less than forty five (45) calendar days prior to the scheduled delivery date.

4. Orders for Custom Products.

- a) For orders of 'custom products' the following special terms apply. Custom products are products which have not passed all the stages of full production acceptance as determined by TagMaster.
- b) The order acknowledgement from TagMaster to the Purchaser will advise which of the products ordered are considered 'prototype products' and the upper limit of any cancellation charges, which may be incurred by order cancellation.
- c) If the Purchaser decides to cancel or re-schedule these orders within 56 calendar days of the schedule shipment date, TagMaster will EITHER Ship the product as per section 3, 4 and 5, but with the maximum reschedule period extended from 6 weeks to 8 weeks OR Stop production and invoice the Purchaser for the costs incurred by TagMaster up to the point of cancellation or re-scheduling, up to the maximum value of the cancellation charge as advised in Clause b).

5. Title and Risk.

- a) Ownership will pass to the Purchaser only on receipt by the Seller of the full invoice price of the goods.
- b) Risk in the goods shall pass in accordance with the delivery and freight/shipping terms stated in the Seller's acknowledgement of order or in the absence of such statement then on leaving the Seller's premises.

6. Payment.

- a) In the case of deliveries within the USA payment terms shall be determined by Seller, based on credit approval. Payment shall not be withheld on account of any claim by the purchaser against the Seller.
- b) In the case of exports from outside the USA, unless otherwise agreed, all payments shall be made by prepaid wire transfer in US dollars. No liability to deliver goods shall arise before the Seller is in receipt of funds prepaid by wire transfer.
- c) The Seller reserves the right to suspend deliveries where payment for any order related or otherwise has not been made on due date and remains outstanding.

7. Shipping.

All products will be shipped FOB, Seller's site.

8. Description and Data.

- a) Goods will be supplied as described, but the Seller reserves the right to make design changes provided that such changes do not adversely affect the performance or mechanical interchangeability or reliability of the goods.
- b) The Seller shall make every effort to ensure the accuracy of technical data or literature relating to the goods, but the Seller (so far as permitted by law) accepts no liability for any damages or injury arising directly or indirectly from any error or omission in such technical data or literature.

9. Warrantee.

- a) The Seller guarantees, at its option, to repair or replace, free of charge, any of the goods found to be defective within 60 days of the date of delivery owing to faulty design, materials or workmanship, provided that the goods have not been modified or repaired other than by the Seller and have been operated, stored and maintained within the Seller's recommendations for use.
- b) Goods returned under this guarantee shall be delivered to the Seller's premises at the Purchaser's expense.
- c) The Seller's obligation herein to repair or replace the goods is the sole liability of the Seller as regards to the quality fitness or description of the goods and their correspondence with sample. All other representatives warranties conditions terms and statements in regard to the same express or implied, statutory or otherwise are excluded save where not capable of exclusion at law. The Seller is under no further liability for any loss, damage or injury arising directly or indirectly from or in relation to the quality fitness or description of the goods and their correspondence with sample.
- d) The Purchaser shall inspect the goods and notify the Seller of any defects or other non-conformance within 30 days from the date of delivery.

10. Force Majeure.

The Seller shall have no liability in respect to failure to deliver, perform or delay in delivering or performing any obligations under the contract due to any cause outside the reasonable control of the Seller including, but not limited to, act of God, fire, floods, war and civil disturbance or riots, acts of Government, currency restriction, labor disputes, strikes, unavailability of materials or failure of supplier carrier or sub-contractor to deliver on time.

11. Price Variation.

The Seller reserves the right to increase the price of the goods agreed to be sold in proportion to any increase of costs to the Seller due to any act of default of the Purchaser, including the cancellation by the Purchaser of part of any order.

12. Patent Rights.

- a) The sale of the goods and the publication of any information or technical data relating thereto do not imply freedom from patent, registered design or other intellectual property rights in respect of any particular application of the goods.
- b) The Purchaser undertakes to indemnify and keep indemnified the Seller against all royalties, claims, actions, demands, proceedings, losses and costs in connection with any infringement or alleged infringement of any patent registered design or other industrial property right in the manufacture, sale or application of the goods.

13. Tools.

Tools made for the manufacture of goods to be supplied under the contract and the copyright therein remain the Seller's property notwithstanding that the Purchaser may have been debited with any sum in respect of their cost.

14. Purchaser's Items.

Items supplied by the Purchaser for the contract shall be of suitable quality and shall be provided free of charge in sufficient quantities and at the times required by the Seller. Any defects in items provided by the Purchaser shall not entitle the Purchaser to rescind the contract, reject the goods, make deductions from the contact price or claim damages in respect of such defect, and the Purchaser shall indemnify the Seller from and against all actions, demands, claims, proceedings, losses or costs arising from the supply of defective items by the Purchaser.

15. Limitation of Liability.

IN NO EVENT INCLUDING BUT NOT LIMITED TO AN INTELLECTUAL PROPERTY INFINGEMENT SHALL THE SELLER BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM THE SELLER'S PERFORMANCE OR FAILURE TO PERFORM HEREUNDER OR THE FURNISHING, PERFORMANCE, OR USE OF ANY GOODS OR SERVICES SOLD PURSUANT HERETO. IN NO EVENT SHALL THE AMOUNT OF THE SELLER'S LIABILITY EXCEED THE AMOUNTS PAYABLE BY THE PURCHASER HEREUNDER. THE SELLER SHALL NOT BE HELD LIABLE FOR ANY INJURY RESULTING FROM PURCHASER'S HANDLING OR OPERATING OF SELLER'S EQUIPMENT.

16. Cancellation and Returned Goods.

- a) Cancellation will not be accepted for non-inventoried items. Purchaser will be required to prepay for such items. If the Seller agrees to accept cancellation or part cancellation of any order for inventoried items a charge of 20% of total order price will be made.
- b) Except under the warrantee in Clause 9 no returns are permitted without the Seller's previous consent.
- c) If the Seller agrees to accept returns other than under the guarantee contained in Clause 9 they must be returned at the Purchaser's expense in original condition and any credit replacement or substitution shall be at Seller's sole discretion subject to satisfactory test report.

17. Termination.

If the Purchaser commits any breach of the terms and conditions of the contract, becomes insolvent, commits an act of bankruptcy, enters into any arrangement or composition with his creditors, or is put into liquidation (other than solely for amalgamation or reconstruction while insolvent), or if a receiver is appointed over any part of the Purchaser's business, the Seller may without prejudice to any rights which may have accrued or which may accrue to it, terminate the contact by notice in writing.

18. Law.

Any question relating to any quotation or any contract subject to these conditions or agreed amendment of these conditions shall be determined in all respects by the laws in Pierce County, Washington State, U.S.A.

19. Required Acknowledgement.

I, the undersigned, have read and agree to be bound by the Terms and Conditions set forth.

X _____

Client (Printed Name):

Date:

Title:

Company: