

Terms and Conditions of Sale – Rapid Die Cut, (RDC)

Seller.

As used herein, “Seller” means Rapid Die Cut, a Delaware corporation.

Rapid Die Cut. (RDC)

provides a Quote for the Buyer’s part(s) based on a drawing, CAD or overall size of part submitted by Buyer to Seller. Any change to the drawing, CAD or over all dimensions requires an updated Quote. Quotes are valid for 30 days, after which pricing may change without notice. Seller reserves the right to correct clerical and other typographical errors in any quotation.

Offer and Contract Acceptance.

These Terms and Conditions of Sale, together with a valid Quote, form a legally binding agreement (the “Agreement”) and contains the entire understanding between Buyer and Seller for the goods and services provided by Seller and supersede any and all other agreements, representations and understandings of the parties, if any, whether oral or in writing. Buyer is deemed to have accepted this Agreement when it accepts a Quote or issues a purchase order or other writing expressing the Buyer’s intent to proceed with the Agreement. This Agreement will govern any orders Seller accepts from Buyer and/or Buyer’s authorized purchasers based on the Quote provided to Buyer. The terms and conditions contained herein shall be the only terms that shall govern the purchase and sale of the goods and services between Buyer and Seller, and no other terms and conditions shall apply and are hereby expressly excluded, including, without limitation, any terms contained in a request for quotation, purchase order, website, or elsewhere. The only additional terms in a request for quotation, purchase order, website or other writing that shall apply, if accepted by Seller, shall be terms regarding the description, price, quantity, and shipping destination for goods produced, and any and all other terms and conditions shall be excluded and deemed inapplicable. After Seller accepts an order, Buyer is responsible for any delivery delays or charges, in addition to the original price due to a Buyer requested change that is agreed to in writing by Seller.

Termination for Convenience.

Buyer may terminate an order in whole or in part at any time by written notice to Rapid Die Cut effective upon receipt and confirmed by Seller. In the event of termination, Seller reserves the right to invoice Buyer for all goods produced or services performed prior to receipt of notice of termination as well as for any material purchased to make Buyer’s parts

which Seller is unable to return. This section shall not limit or affect the Buyer's right to cancel this order for breach by Seller.

Delivery; Quantity; Title.

Any stated delivery time represents Seller's intended or typical delivery time, but actual delivery times may vary. Seller reserves the right to limit quantities at any time. Partial shipments may be delivered to Buyer. All parts are shipped FCA (Incoterms 2010) at Seller's facilities. Title passes to the Buyer at the time and place of delivery to the carrier.

Price and Terms of Payment.

All prices are quoted, and payments shall be made in U.S. Dollars and are exclusive of freight, shipping, special packaging or handling, duties, and unless specifically stated, sales, excise, use or other taxes arising in connection with this transaction (other than taxes based solely on Seller's taxable income). No discounts or refunds are authorized. Payment may be made by Visa, MasterCard, Discover, American Express, or a form of prepayment acceptable to Seller. Upon credit approval, goods or services may be invoiced and all sums are due and payable according to the terms of the invoice. To the extent Buyer desires Seller to present invoices or other information electronically via Buyer's or a third party's electronic payment website, any costs associated with such access will be borne by Buyer.

Nonconforming Goods.

Buyer shall inspect all goods upon delivery by Seller, and should any of the goods be nonconforming goods, Buyer must notify Seller, in writing, within ninety (30) days of delivery of the goods describing the nature of any nonconformity. Seller shall have the right and option to repair or replace any goods agreed between the parties to be nonconforming. Seller shall not have any obligation to repair, replace or otherwise compensate Buyer for nonconforming goods if Buyer fails to notify Seller in writing that goods are nonconforming within ninety (90) days of Seller's delivery of the goods.

Warranties.

Seller assumes no responsibility for the design of the goods that are the subject of this transaction. To the extent Seller's personnel recommend design modifications or provide design analysis, simulation or advice, they do so only to help meet the requirements of Seller's own manufacturing process. The Buyer retains sole legal responsibility for the design specifications and performance of the goods that are the subject of this transaction. Buyer is solely responsible for ensuring the goods and services purchased from Seller meet applicable regulatory requirements. The Buyer represents and warrants to

Seller that no information furnished or to be furnished by the Buyer to Seller constitutes information classified by the U.S. federal government as confidential, secret or top secret or similar designation by any international government.

SELLER MAKES NO REPRESENTATION OR WARRANTY, WHETHER EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER WITH RESPECT TO ANY GOODS OR SERVICES, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

Without limiting the generality of the foregoing, Seller assumes no responsibility or liability for the selection of any materials for the goods that are the subject of this transaction. The Buyer is solely responsible for ensuring that materials selected for goods to be manufactured by Seller meet any applicable regulatory requirements or specifications including but not limited to Directive -2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive) together with any national legislation implementing such Directive, ISO, FDA, UL, CSA, CE, TUV, FCC, NSF, and USP. Any statements made by Seller personnel or specifications provided by Seller regarding materials should be verified by the Buyer with the manufacturer of that material.

Tolerances.

Rapid Die Cut (“RDC”) manufactures parts in accordance with its published *Equipment Tolerance Guidelines* (included here to and incorporated by reference). These equipment tolerance standards are considered the governing tolerances (“master”), and any drawings, prints, or models provided by the Buyer are used for reference only.

If the Buyer requires tolerances tighter than those reflected in RDC’s standard equipment tolerance guidelines, the Buyer is responsible for:

- 1. Clearly identifying such requirements in advance, and**
- 2. Ordering prototype parts for evaluation to confirm whether the parts will function properly in the Buyer’s application.**

Unless otherwise agreed to in writing, RDC will not be held responsible for deviations outside the Buyer’s print tolerances if the parts conform to RDC’s published tolerance guidelines

RDC Equipment Tolerance Guidelines

The following tolerances represent the standard equipment capabilities of Rapid Die Cut (RDC). Unless otherwise agreed to in writing, these tolerances are considered master and apply to all orders. Customer prints and drawings are used as reference only.

Process / Material	Standard Tolerance
Bun Stock Cut Thickness	\pm 2 mm
Roll & Sheet Stock Material Thickness	\pm .005 – .010 (depending on material type & manufacturer)
Water Jet – Foams & Rubber (\leq1" thick)	\pm .020
Water Jet – 1"–3" thick	\pm .040
Water Jet – 3"–6" thick	\pm .125
Laser	\pm .020
Digital CNC Knife (\leq.375" thick)	\pm .020
Digital CNC Knife (.375"–.500" thick)	\pm .040
Digital CNC Knife ($>$.500" thick)	\pm .080
TARP Tooling	\pm .040
TARP Cut Parts	\pm .060
ATTOM Tooling	\pm up to .060 (depending on size)
ATTOM Cut Parts	\pm .060

-Bun Stock Cut Thickness Tolerance Standard= \pm 2 mm.

(We may achieve .5 to 1 mm with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

Roll and Sheet Stock Material Thickness Tolerance Standard= \pm .005 - .010 depending on the material type and manufacture of the material

Length and Width Cut to Size Tolerance Dimensions:

Water Jet: Foams and Rubber: \pm .020 1" thick or less. Thickness from 1" to 3" \pm .040 Thickness 3" to 6" \pm .125

(We may achieve .5 to 1 mm with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-Laser: \pm .020

(We may achieve .010 mm with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-Digital CNC Knife: Up to .375" **Thick** = +- 020 / Thicknesses from .375" to .500" +-040.

(We may achieve .5 to 1 mm with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-TARP Tooling Tolerances: +- .040"

(We may achieve .020-.040 with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-TARP Cut Parts: +- 060"

(We may achieve .040" with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-ATTOM Tooling: +- up to .060" Depending on the size of the part

(We may achieve .020 to .040" with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

-ATTOM Cut Parts: +- .060"

(We may achieve .020 to .040" with a Prototype R&D Process to be quoted, and it depends on the material and thickness and part detail)

Disclaimers: Additional outliers to all that can alter Standard Tolerances

The following conditions may cause deviations beyond standard tolerances:

- Extremely curly material
- Stretched material during lamination
- Rubber types 15 duro or less
- Compressed material during forming

Tool Refurbishment and Maintenance

Buyer acknowledges that die tooling is subject to normal wear and degradation over time. If refurbishment, repair, or replacement of tooling becomes necessary due to:

- excessive production volumes or tool cycles,
- complex design features (such as tight radii), or
- the use of difficult or harder-to-form materials,

the Buyer shall be responsible for associated refurbishment costs. Such costs shall not exceed the original quoted cost of the tooling.

Indemnification.

Buyer agrees to defend, indemnify and hold harmless Seller (and its employees, representatives and agents) from and against all claims, liabilities, losses, damages, penalties, fines and sanctions of any kind (including, without limitation, interest, attorneys' fees and expenses, customs duties, fines, taxes, penalties or any other governmental sanctions of any kind) resulting from or arising out of Buyer's use of Seller's goods or services, a breach of any provision of this Agreement or any third party claim for infringement of patent rights, trademark, copyrights or misuse of trade secret information.

Force Majeure.

Seller shall not be liable for any failure to perform under this Agreement if such failure or delay is caused by acts of God, fire, storm, strikes, blackouts, labor difficulties, riots, inability to obtain materials, equipment, labor or transportation, governmental restrictions, or any other event beyond Seller's reasonable control. In the event of any shortage of raw materials or other supplies, Seller may allocate materials and supplies among its buyers in such manner as Seller may determine in its sole discretion, and shall have no liability to the Buyer on account of any delay or cancellation on account thereof.

Service Levels.

Each Quote indicates a Service Level that applies to that Quote. If the Quote indicates a "Prototyping" Service Level, all Custom Tooling and Proprietary Components shall be and remain the property of the Seller. However, Seller shall not use Custom Tooling in the production of goods for any other buyer of Seller without the Buyer's express permission. If Seller is making parts for Buyer in Seller's facility, Seller's Prototyping Tooling storage policy is such that after a six (6) month period of inactivity on the Prototyping Tooling, Seller may destroy the Prototyping Tooling, in its discretion.

If the Quote indicates an "On-Demand Manufacturing" Production Service Level, all Custom Tooling shall be the property of the Buyer, however reusable Proprietary Components will remain the property of the Seller and all Custom Tooling will remain at Seller's production facility. If Seller is making parts for Buyer in Seller's facility, Seller will guarantee Buyer's On-Demand Manufacturing Tooling for the life of the project with no limitation on the number of parts produced. Subject to the On-Demand Manufacturing Tooling storage policy below, Seller will, in its discretion, repair or replace worn or damaged Tooling at Seller's expense with no limitation on the number of parts produced. Seller's On-Demand Manufacturing Tooling storage policy is such that after a two-year period of inactivity on the On-Demand Manufacturing Tooling, Seller may destroy the On-Demand

Manufacturing Tooling, in its discretion. The On-Demand Manufacturing Tooling guarantee does not apply to projects accepted on a “best effort” basis as agreed between the parties.

As used in this Agreement, “Custom Tooling” means tooling and dies developed specifically for the Buyer, Proprietary Components” means all proprietary or reusable components developed by Seller including fixturing, inserts crews and springs or other reusable parts needed to make the Tooling ready for production. Due to the proprietary nature of Seller’s process, Tooling is not compatible with or transferable to other equipment.

Shipment Estimates. Expedited and standard lead times. Quotations issued by seller will contain an estimated date of shipment, calculated based on the input data. The term of delivery generated by the online ordering system gives a preliminary indication of planned date of shipment though it does not bind seller in any way. The estimated shipment date and expedited shipment date is based on the working conditions applicable at the time the agreement is concluded and on the punctual delivery of the materials ordered by seller for the performance of the work. Should a delay arise for which the seller is not responsible, as a result of a change in the aforementioned working conditions or because materials ordered in time for the performance of the work are not delivered on time, the shipment date may be extended and seller will not be liable for such delay. Seller will not be liable for reimbursement of expedite fees.

Buyer Intellectual Property.

Buyer shall retain sole ownership of the copyright in files, all text, illustrations, software files and other materials provided by Buyer to Seller as well as of any deliverables, designs, including modifications or derivative works thereof, that may be produced for Buyer during the course of Seller’s performance of services.

Seller Intellectual Property.

Seller retains sole ownership in all proprietary software, processes, and procedures developed by Seller for the quoting, analysis, design, automation, and manufacturing of Tooling Dies, Fixtures, or any other custom tooling generated to support the manufacturing of the production parts. Seller retains ownership of the copyright in all text, illustrations or other materials provided by Seller to Buyer in a Quote. Buyer will not, without prior written approval of Seller (which may be withheld for any reason), remove any of Seller’s markings or change Seller’s Intellectual Property in any way.

Federal Government Contracts.

Seller is a large business, registered in the System for Award Management (SAM). If this transaction is a subcontract under a federal government contract or subcontract, the Buyer and Seller agree that the goods and services provided by Seller to the Buyer under this agreement constitute “commercial items” as defined in FAR 2.101 (48 CFR § 2.101). In this regard Seller warrants that the goods and services provided under this agreement are priced at the same rate and in the same manner as Seller’s comparable commercial agreements for similar goods and services and that such goods and services are sold in the commercial marketplace, subject to modifications of a type customarily available in the commercial marketplace.

Country of Origin.

Seller makes no country-of-origin certification under this Agreement unless specifically agreed to in writing. Seller specifically denies any “passive” certifications included in any of Buyer’s documents or communications related to this Agreement.

Confidentiality.

“Confidential Information” means any information that Buyer discloses to the Seller that is proprietary to the Buyer and not known to the public. The Seller will not use any Confidential Information for any purpose except for the purposes of conducting its obligations pursuant to this Agreement. The Seller will use the same degree of care (but no less than a reasonable degree of care) to protect the secrecy of and avoid disclosure and unauthorized use of Confidential Information as the Seller employs with respect to its own confidential and proprietary information. Upon Buyer’s written request, the Seller will destroy all documents containing or representing Confidential Information and all copies thereof and erase any such Confidential Information from the Seller’s computer systems except electronic copies that are electronically archived and not readily accessible. If requested by Buyer, Seller will provide written confirmation of such return or destruction and erasure to Buyer.

Export Compliance.

Buyer and Seller will comply with all applicable export, restrictions and regulations of any U.S. agency or authority including but not limited to the Export Administration Regulations (“EAR”) administered by the U.S. Department of Commerce, International Traffic in Arms Regulations (“ITAR”) under the U.S. Department of State, and embargo controls administered by the U.S. Department of the Treasury’s Office of Foreign Asset Controls (“OFAC”) with respect to the goods or services that are subject to this Agreement. In order for Seller to conduct appropriate export control checks, the Buyer agrees to identify any

export controlled (e.g., ITAR) goods in writing to Seller by the time Buyer accepts a quotation and to provide all pertinent information pertaining to the particular end Buyer, destination and intended use of goods. Seller reserves the right to stop shipping or providing goods if Seller has reason to believe that any shipment or sale of goods may violate any export control law.

Prohibited Purposes.

Buyer warrants that the goods that are the subject of this transaction will not be implanted in a human body and are not subject to FAA inspection. Buyer certifies that its designs (e.g., drawings or CAD models) submitted to Seller and the manufacture and delivery of goods according to the Buyer's design will not yield goods that are in violation of any federal firearms laws.

LIMITATION OF DAMAGES. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND, WHETHER FOR BREACH OF ANY WARRANTY, FOR BREACH OF ANY OTHER TERM OR CONDITION, FOR NEGLIGENCE, ON THE BASIS OF STRICT LIABILITY, OR OTHERWISE. BUYER ACKNOWLEDGES THAT THE ESTIMATED AND ACTUAL FEES AND CHARGES PAID FOR THE SERVICES REFLECT THIS LIMITATION OF LIABILITY AND ALLOCATION OF RISK. THE TOTAL LIABILITY OF SELLER OR ITS SUPPLIERS TO BUYER UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE TOTAL SUMS PAID BY BUYER TO SELLER FOR THE ORDER GIVING RISE THE LIABILITY.

Miscellaneous.

The Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to principles of conflict of law. Any suit, action or other legal proceeding arising out of or relating to this transaction shall be brought in a court of record in Macomb County, Michigan. Seller and the Buyer each consent to this jurisdiction of such court in any suit, action or proceeding, and waive any objection which it may have.

Last updated: March 1, 2023