Sales Terms and Conditions

Customer-facing | Specialty Machine as Seller

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Status	FINAL

Applicability and precedence

Applies only to acknowledged customer sales orders. Verify legal entity, effective date, payment method rules, Incoterms, customer master agreements, and mandatory flow-downs before issuance.

1. Agreement; order acceptance; precedence

These terms apply to sales of goods and services by Cryer Limited Partnership doing business as Specialty Machine ("Seller") to its customer ("Buyer"), unless a separately signed agreement expressly supersedes them. Seller's quotation is an offer only for its stated validity period and scope. An order binds Seller only upon written acknowledgment or commencement of performance expressly accepted by Seller. Buyer's additional or inconsistent terms are rejected unless accepted in a writing signed by Seller's authorized representative. Applicable mandatory law and expressly accepted customer flow-down requirements take precedence over inconsistent general terms; the parties will identify such flow-downs before order acceptance.

2. Scope; technical requirements; changes

Buyer shall provide complete and revision-controlled drawings, specifications, inspection criteria, delivery requirements, and required regulatory/customer flow-downs before acceptance. Seller manufactures to Buyer-furnished designs unless otherwise expressly agreed; Seller does not warrant design suitability. Changes to scope, quantity, revision, material, inspection, delivery, or compliance requirements require Seller's written acceptance and equitable adjustment to price and schedule. Seller may suspend affected work pending agreement.

3. Price; quotation assumptions

Prices are based on quoted quantity, manufacturing assumptions, material availability, and requirements known at quotation. Quotes expire on the date stated or, if unstated, 30 days after issue. Buyer is responsible for applicable sales, use, excise, and similar taxes other than taxes on Seller's income. Freight, duties, expedited handling, special packaging, and customer-requested testing are additional unless expressly included.

4. Invoicing; payment; credit

Unless otherwise stated in Seller's acknowledgment, payment is net 30 days from invoice date, in U.S. dollars, without unauthorized deduction or setoff. Seller may request a deposit of 30–50% for custom, material-intensive, or credit-risk orders as stated in its quote. Seller may offer an early-payment discount in writing; no discount applies unless stated. Seller accepts approved ACH, check, wire, and card methods; any card-processing charge applies only when disclosed and lawful under applicable law and card-network rules. Past-due undisputed sums accrue the lesser of 1.5% per month or the maximum lawful rate. Buyer shall identify invoice disputes with reasonable detail promptly, preferably within 10 business days; undisputed amounts remain due. Seller may review credit, require advance payment, suspend further deliveries after reasonable written notice of delinquency, and recover reasonable collection costs where lawful.

5. Delivery; risk of loss; quantities

Dates are estimates unless Seller expressly commits in writing to a firm delivery date. Seller shall use commercially reasonable efforts to meet acknowledged schedules and promptly advise Buyer of material delays. Unless otherwise agreed in writing, delivery is FCA Seller's facility (Incoterms 2020), with risk of loss passing on delivery to the carrier; title passes upon full payment to the extent permitted by law. Buyer may not reject commercially reasonable partial shipments or agreed manufacturing quantity tolerances; any over/under-shipment tolerance must be specified in the acknowledgment. Buyer-requested delays may result in storage and handling charges.

6. Inspection; nonconforming goods

Buyer shall inspect shipments within 15 calendar days after receipt and promptly notify Seller of reasonably discoverable nonconformities with supporting evidence. Latent defects remain subject to the express warranty. Buyer shall not scrap, rework, return, or debit Seller without prior coordination except to mitigate an immediate safety or regulatory risk. Seller shall be afforded a reasonable opportunity to inspect and, for verified Seller-caused nonconformity, elect repair, replacement, re-performance, credit, or refund of the affected goods, taking Buyer's operational needs into account.

7. Limited warranty

Seller warrants that goods manufactured by Seller will conform in all material respects to the accepted drawings and specifications and be free from defects in Seller's workmanship for 18 months from delivery, unless a different period is expressly accepted in writing. This warranty excludes defects caused by Buyer's design, supplied materials, misuse, improper storage, modification, normal wear, or work by others. Seller's obligation is limited to the remedies in Section 6. TO THE EXTENT PERMITTED BY LAW, ALL OTHER WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE DISCLAIMED.

8. Buyer-furnished materials, designs, and property

Buyer warrants it has authority to provide and authorize use of its technical data, specifications, and materials. Buyer-owned tooling and property shall be identified in writing, reasonably safeguarded, and used only for authorized work. Seller retains ownership of tooling, fixtures, methods, know-how, and process improvements developed or purchased at Seller's expense unless a signed agreement specifically transfers ownership. Buyer retains its pre-existing intellectual property and proprietary design rights.

9. Confidentiality; approved processors

Each party shall protect the other's identified confidential information with reasonable care and use it only to perform the order. Seller may share necessary technical information with approved subcontractors, special processors, inspection providers, and professional advisers subject to confidentiality, export-control, and cybersecurity restrictions. Disclosure of controlled technical data requires applicable authorization and compliant handling; this clause does not itself authorize foreign-person access or offshore processing. Exceptions apply to publicly available, independently developed, or lawfully obtained information.

10. Export controls; cybersecurity; regulatory compliance

Each party shall comply with laws applicable to its performance, including export controls and sanctions. Buyer shall identify export classification, ITAR/CUI status, and customer-specific security obligations before order acceptance. Seller will implement agreed contractual safeguards and promptly notify Buyer of reportable incidents as required by law or the accepted contract. Neither party is excused from liability for its own negligence, willful misconduct, or non-waivable legal duties by reason of a cyberattack.

11. Subcontracting; quality

Seller may use qualified subcontractors for ordinary manufacturing and special processing while remaining responsible for conformity. Seller will obtain Buyer approval before subcontracting where the accepted order, applicable customer requirements, controlled-data restrictions, or critical-item designations expressly require approval. Seller maintains its quality system and provides required inspection and certification records as agreed.

12. Intellectual property; third-party claims

Buyer shall defend and indemnify Seller against third-party infringement claims arising solely from Seller's authorized compliance with Buyer-furnished detailed designs, except to the extent caused by Seller's unauthorized modifications. Seller shall defend and indemnify Buyer against infringement claims arising from Seller-owned designs or processes supplied as part of the goods, excluding Buyer-provided designs and specifications. The indemnified party shall provide prompt notice and reasonable cooperation and allow the indemnifying party to control the defense, subject to reasonable settlement protections.

13. Liability; indemnification

Each party is responsible for claims to the extent caused by its breach, negligence, or willful misconduct. Except for fraud, willful misconduct, confidentiality or IP misuse, payment obligations, and liabilities that cannot legally be limited, Seller's aggregate liability arising from an order shall not exceed the price paid or payable for the affected goods or services. Neither party is liable for lost profits or indirect, incidental, special, punitive, or consequential damages except where prohibited by law or expressly agreed in writing.

14. Delay; force majeure

Neither party is liable for delays beyond reasonable control, including natural disasters, war, labor disruptions, supplier shortages, government action, or transportation failures, provided the affected party promptly notifies the other and makes reasonable mitigation efforts. Payment for goods already delivered remains due. If delay exceeds 60 days, either party may terminate the affected unperformed portion by written notice, subject to payment for completed work and committed costs.

15. Cancellation; termination

Buyer may request cancellation of an accepted order on 15 days' written notice, subject to Seller's written confirmation of the stop-work plan. Buyer shall pay for conforming completed goods, work in process at documented incurred cost plus reasonable margin on performed work, and noncancelable material, subcontractor, and other reasonable commitments, less costs reasonably avoided. Either party may terminate for material breach remaining uncured 30 days after written notice, except for breaches incapable of cure or requiring faster action for safety or legal compliance.

16. Ethics; sourcing; environmental requirements

Seller supports lawful labor, workplace safety, responsible sourcing, anti-corruption, and environmental practices. Any customer-specific Responsible Business Alliance (RBA), conflict-minerals, environmental, or audit obligations apply only to the extent expressly incorporated into an accepted order, subject to reasonable scope, confidentiality, security, and cost arrangements.

17. Disputes; law; general

Texas law governs without regard to conflict-of-law principles, except mandatory federal law. Parties shall first escalate disputes to designated business leaders for good-faith resolution. Unless otherwise agreed in a signed contract, state or federal courts with jurisdiction in Travis County, Texas, shall be the exclusive venue. Amendments and waivers must be

in writing; invalid provisions are severable; no failure to enforce is a waiver. Electronic signatures and counterparts are permitted.