



SALE TERMS AND CONDITIONS (including Limited Warranty)

Limited Warranty

Reell Precision Manufacturing Corporation (REELL) warrants to the original purchaser (Purchaser) from REELL that all goods and services (collectively, referred to herein as “products”) supplied by REELL at the time of delivery by REELL shall comply with REELL’s written product specification. It is Purchaser’s responsibility to thoroughly test all products for the specific application to determine performance, effectiveness and safety. Any advice or recommendations provided by REELL do not constitute a warranty, express or implied, by REELL. REELL EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT TO THE FULL EXTENT PERMISSIBLE BY APPLICABLE LAW. REELL is entitled to rely solely on the raw materials and components certificates obtained from Purchaser or other third-party suppliers certifying that such raw materials conform to the published specifications or applicable certificate. REELL undertakes no independent obligation of investigation or testing regarding the conformity or quality of any raw materials or components obtained from Purchaser, suppliers designated by Purchaser or other third-party suppliers.

The exclusive remedy for a breach of the limited warranty is limited to replacing or repairing the specific product directly provided by REELL and reimbursing Purchaser for reasonable transportation costs for the return of the product to REELL and return of the repaired or replacement product to Purchaser. Such remedy will be provided within a reasonable time after REELL confirms the validity of the warranty claim. Any warranty claim must be received in writing by REELL promptly, but in no event more than ninety days after the date of delivery of the product by REELL. Upon REELL’s timely receipt of a warranty claim, REELL will furnish the Purchaser a Returned Material Authorization (RMA) including an RMA number. This RMA number must be referenced with the returned products. Once the RMA has been issued, it is the sole responsibility of Purchaser to deliver the product subject to the warranty claim to REELL within 30 days. Purchaser is responsible to pay for transportation costs to and from REELL, insurance, and any other incidental cost and liability associated with returning the product to and from REELL.

Sale Terms and Limitations

Unless otherwise agreed in writing, all sales are FCA St. Paul, MN plant. Except as otherwise agreed in writing by REELL and subject to continuing credit review and approval by REELL, payment terms are net 30 days subject to approved credit. If Purchaser payment by credit card exceeds \$3,000.00, the Purchaser will be charged a 3% transaction fee. Payment not received within applicable terms may result in shipment hold until the account is in good standing and including a 1.5%/month finance charge (or the highest legally permissible amount if less) until payment is received. Purchaser shall be responsible for all collection costs, including reasonable attorneys’ fees. A purchase order cancellation for REELL catalog product, within thirty days of REELL’s acknowledgement promise ship date, will be subject to a 100% cancellation charge of the finished goods value. A purchase order cancellation for REELL catalog product, beyond thirty days of REELL’s acknowledgement promise ship date, will be subject to a 20% cancellation charge of the finished goods value. Purchase order cancellation for custom product will obligate the Purchaser to a 100% cancellation charge of the order including the value of finished goods, WIP, raw material and any raw material commitments made to REELL’s suppliers to satisfy the purchase order(s) at the time of the order cancellation.

Under no circumstances will REELL be liable for any products which have been damaged in transit or by accident, have been subject to misuse, have not been properly installed, or have been altered in any manner after shipment from REELL. Shipment and delivery dates are estimates.

EXCEPT AS EXPRESSLY STATED IN THESE TERMS AND CONDITIONS, REELL WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, CONSEQUENTIAL (INCLUDING LOST PROFITS) OR OTHER DAMAGES OF ANY TYPE, WHETHER ARISING OUT OF WARRANTY OR ANY OTHER CONTRACT, STRICT LIABILITY, NEGLIGENCE OR OTHER TORT, OR OTHERWISE, TO THE FULL EXTENT PERMISSIBLE BY APPLICABLE LAW. Purchaser agrees to indemnify and hold REELL harmless against any claims, damages, liability, costs and expenses (including attorneys’ fees) related to any products provided by REELL to Purchaser, including with respect to direct and contributory patent infringement claim(s), except as otherwise provided in an express written warranty provided by REELL. Any liability on the part of REELL is limited to the price received by REELL for the specific product that is the subject of the claim. No action, regardless of form, arising out of the supply of products by REELL may be brought against REELL more than one year after the cause of action has accrued. The limited warranty and remedies set forth above are exclusive and in lieu of all others, oral or written, expressed or implied.

REELL will not be liable for any delay or failure of delivery of any Products caused in whole or part by any contingency or event beyond REELL’s reasonable control, including, without limitation, acts of any government, shortage of or inability to secure labor, transportation, fuel, energy, raw materials, supplies, or machinery at reasonable prices from regular sources, war, riots, acts of God or natural disasters. REELL pledges to use best efforts to meet the delivery date acknowledged in REELL’s Sales Order acknowledgement.

No intellectual property rights of REELL are transferred or licensed in connection with the sale of the products. Any intellectual property rights of REELL with respect to the products remain with REELL. If Purchaser wishes to engage REELL as an independent contractor to develop a new product, the parties must enter into a written REELL New Product Development Contractor agreement with a Statement of Work (SOW) which specifically addresses each party’s rights to associated intellectual property. REELL reserves the right to outsource part or all of the product or service quoted, and in such event, REELL has Purchaser’s permission to share information as needed to complete such work.

If these Sale Terms and Conditions differ from the terms of Purchaser’s purchase order or inquiry, these Sale Terms and Conditions prevail and govern, and are a “COUNTEROFFER.” Different and additional terms in Purchaser’s documentation are expressly rejected. No addition to or modification of these terms will be effective unless made in writing and signed by an authorized representative of REELL. Purchaser’s acceptance of products provided by REELL constitute Purchaser’s acceptance of these Sale Terms and Conditions. REELL products may be covered under one or more US and International patents. Please refer to our online patent database for additional information at <https://reell.com/patents>.