

General Terms and Conditions of Sale and Delivery

Sebright Products Inc. 4/30/2025

§ 1 General Stipulations, Scope

- These General Terms and Conditions of Sale and Delivery ("Terms") apply to all business relationships between Sebright Products Inc. ("Sebright") and its business customers ("Customer").
- These Terms apply to all current and future transactions for the sale or delivery of goods or services, even if not referred to in subsequent agreements.
- Any conflicting or supplementary terms provided by the Customer are excluded unless explicitly agreed in writing by Sebright.
- Individually negotiated agreements take precedence over these Terms when confirmed in writing by both parties.
- Legally significant declarations by the Customer must be made in writing. All amendments or notices related to this agreement must follow this format.

§ 2 Conclusion of the Agreement

- All quotations issued by Sebright are non-binding and subject to change unless explicitly confirmed in writing.
- Orders by the Customer constitute binding offers. Acceptance occurs through Sebright's written confirmation, delivery, or invoicing.
- All documentation, including technical specifications and drawings, remain Sebright's intellectual property and may
 not be disclosed to third parties without consent.

§ 3 Delivery Period and Delay in Delivery

- Delivery dates are estimates unless explicitly agreed otherwise. Any delay due to force majeure extends delivery timelines proportionally.
- Sebright is not liable for delays caused by events beyond its control, such as natural disasters, pandemics, strikes, or delays from suppliers.
- If delivery becomes impossible, Sebright may withdraw from the contract with written notice and refund any payments received.
- Estimated lead times are subject to confirmation upon receipt of a valid purchase order, the agreed-upon deposit, and final approval of all required drawings by the Customer.

§ 4 Prices and Terms and Conditions of Payment

- Prices are quoted ex-works, excluding taxes, duties, and shipping unless stated otherwise. Price adjustments are permitted if costs increase by over 5%.
- Sebright requires a prepayment of fifty percent (50%) of the total invoice amount prior to the commencement of production. Production shall not begin until the required prepayment has been received in full.



- Deposit requirements may vary based on the equipment configuration and material demands, as mutually agreed upon at the time of order. The remaining balance shall be due within thirty (30) days of the originally negotiated delivery date, as documented in the signed purchase order, and shall be enforced accordingly.
- Any additional costs incurred by Sebright in connection with third-party registration or compliance requirements—
 including but not limited to insurance portals, safety platforms, or accounting systems—shall be invoiced to the
 Customer and included in the final billing.
- Invoices are due within 10 business days from issuance. Late payments incur interest and may result in delivery suspension.
- Customers may not offset payments unless claims are undisputed or legally established.

§ 5 Liability of Sebright

- Sebright is liable for damages only in cases of willful misconduct or gross negligence. For ordinary negligence, liability is limited to foreseeable damages.
- Sebright's liability does not cover compatibility with third-party products or improper use by the Customer.

§ 6 Statute of Limitations

- Claims for material or legal defects are time-barred after 12 months from delivery, unless a longer period is mandated by law.
- The limitation period does not apply to cases of fraud or willful concealment of defects.

§ 7 Place of Fulfillment, Governing Law, Jurisdiction and Arbitration Agreement

- The place of fulfillment for deliveries is Sebright's facility in Michigan. Payments are to be made to Sebright's business office.
- These Terms are governed by the laws of the State of Michigan. All disputes are subject to jurisdiction in Allegan County, Michigan.
- This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous agreements, communications, and representations, whether oral or written, regarding the subject matter hereof.
- If any provision of these Terms is found invalid, the remaining provisions shall remain enforceable.

§ 8 Adherence to Export Control Laws

- The execution of this agreement is subject to compliance with all applicable export control regulations under United States law and any other relevant jurisdictions.
- If government approvals or licenses are required, both parties shall cooperate to obtain them. If these are not granted, Sebright may suspend or terminate the contract without liability.

§ 9 Exclusion of Liability for Export-Related Damages

• Sebright shall not be liable for damages, losses, or penalties arising from compliance with export control laws unless caused by gross negligence or willful misconduct.



§ 10 Duty of Cooperation

- The Customer agrees to provide all necessary cooperation, information, and access to facilities required for Sebright to fulfill the contract efficiently.
- Delays caused by the Customer's failure to cooperate may extend timelines and result in additional charges.
- The Customer shall be solely responsible for the preparation of a suitable concrete pad and for providing the appropriate electrical service disconnect in accordance with Sebright's specifications and applicable codes.
- The Customer shall engage a qualified electrician to complete the termination of the electrical connection between the equipment's power unit and the service disconnect, at the Customer's sole expense.

§ 11 Delivery, Transfer of Risk, Delay in Acceptance, Installation, Commissioning

- Delivery is made ex-works unless otherwise agreed. Risk transfers to the Customer upon notification of readiness for dispatch.
- Sebright may store goods at the Customer's expense if acceptance is delayed beyond the agreed timeline.
- Where installation is included, the Customer must provide suitable access, power, and staff. If these are not provided, Sebright may invoice for the delay or reschedule at its discretion.

§ 12 Reservation of Title

- Sebright retains title to delivered goods until full payment is received. The Customer may not sell, pledge, or assign the goods before payment is completed.
- If the Customer defaults on payment, Sebright may reclaim the goods without needing to formally terminate the agreement first.

§ 13 Warranty Claims by the Customer

- Sebright warrants that goods are free of defects upon delivery. Any deviations must be reported in writing within 7 days of receipt.
- Sebright may repair or replace defective goods at its discretion. Warranty claims are void if the product is modified or misused without consent.

§ 14 Additional Support Services

- Support services may include monitoring systems, software updates, and remote diagnostics. These services are provided during regular business hours.
- Sebright is not liable for service interruptions due to network or system issues beyond its control, unless caused by Sebright's negligence.

§ 15 Standard Software

- Sebright grants a non-exclusive, non-transferable license to use the provided standard software with the purchased equipment.
- The software may not be copied or shared. Intellectual property remains with Sebright.



§ 16 Customized Software

- Customized software is developed based on Customer specifications. Acceptance occurs after a successful functionality test.
- If defects are not resolved within a reasonable time, the Customer may request a price reduction or termination of the software portion of the agreement.
- The warranty for customized software is 12 months from acceptance. Modifying the software without Sebright's
 consent voids the warranty.

§ 17 Licenses

- Upon full payment, the Customer receives a license to use the software solely with Sebright's equipment for internal operations.
- Copying, distribution, or third-party access is prohibited. Violations may result in a \$5,000 penalty per incident and potential legal action.

§ 18 Limitation of Indirect Damages

• Sebright shall not be liable for any indirect, incidental, special, or consequential damages, including but not limited to loss of profits, loss of data, or loss of business opportunities, arising out of or in connection with the performance of this agreement, even if Sebright has been advised of the possibility of such damages.

§ 19 Force Majeure (Expanded)

- Sebright shall not be liable for any failure or delay in performance due to events beyond its reasonable control, including but not limited to acts of God, war, terrorism, pandemics, labor disputes, or failure of suppliers.
- In the event of such occurrences, Sebright may suspend or modify performance obligations without penalty for the duration of the delay and shall notify the Customer as soon as reasonably practicable.

§ 20 Limitation on Customer Claims

- The total liability of Sebright under this agreement shall not exceed the total amount paid by the Customer under the specific contract giving rise to the claim.
- This limitation applies to all claims, whether arising in contract, tort, statute, or otherwise, except in cases of gross negligence or willful misconduct.