

Terms & Conditions for Sales

HS Spring ("The Seller") and its customer ("The Buyer") hereby agree to the following terms and conditions which apply to any quotation ("Quotation") provided by The Seller for the price of any goods or services supplied by The Seller ("Goods"), to the acceptance of a Quotation by The Buyer and to the purchase of Goods by The Buyer in accordance with a Quotation.

1. Exclusivity of Terms and Conditions

The acceptance of a Quotation by The Buyer from The Seller is exclusively subject to the terms and conditions contained herein. These terms and conditions operate to the exclusion of all others. No variation from or addition to these terms and conditions is effective or binding upon The Seller without The Seller's express written consent. Failure of The Seller to object to any different or additional terms or conditions shall not constitute a waiver of the foregoing, The waiver of strict compliance with or performance of any of the terms and conditions or of any breach thereof on the part of either party shall not be deemed to be a waiver of any subsequent failure to strictly comply with or perform same or any other term or condition herein or of any subsequent breach thereof.

2. Deemed Acceptance of Terms and Conditions

The Buyer is deemed to accept these terms and conditions upon acceptance of a Quotation and the placing of an order for Goods ("Order") and/or upon accepting delivery of Goods from The Seller. These terms and conditions shall be binding upon and inured to the benefit of the parties hereto and their successors and assigns.

3. No Other Representations

It is expressly understood and agreed between the parties hereto that The Seller has not, for the purpose of inducing the sale of any Goods made any statements or representations verbally or in writing in respect of the Goods other than stated in our Quotation.

4. Warranty

The Seller warrants that the Goods shall conform to either the technical specifications or blueprint agreed upon between the parties. All specifications for Goods are subject to standard commercial variations unless noted. There are no warranties which extend beyond the description on the Quotation and the foregoing express warranty is in lieu of and excludes all implied warranties including the warranty of merchantability.

5. No Incidental or Consequential Damages

The Seller shall not be liable to The Buyer for any incidental or consequential damages for breach of warranty or any other term or condition herein.

(cont.)



HS | SPRING

INNOVATION AT EVERY TURN™

3805 Business Park Drive ■ Louisville, KY 40213 ■ Tel 502-962-6464 ■ Fax 502-962-6410 ■ www.hsspring.com

25 Worcester Road ■ Toronto, ON M9W 1K9 ■ Tel 416-675-9072 ■ Fax 416-675-9074

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6. Applicable Law and Jurisdiction.

All matters relating to or resulting from any agreement for the purchase of Goods by The Buyer from The Seller shall be governed by:

- (a) the laws of the province of Ontario, Canada, when the Seller supplies the Goods from its facility in Ontario;
- (b) the laws of the state of Kentucky, United States of America, when the Seller supplies the Goods from its facility in Kentucky; and
- (c) the laws of the state of Ohio, United States of America, when the Seller supplies the Goods from its facility in Ohio. All disputes relating thereto shall be subject to and determined in the courts of the governing jurisdiction.

7. Quotations

In any Quotation from The Seller, prices apply to the quantities quoted. A Quotation is effective for ninety (90) days after which it is subject to change without notice. Stenographic and clerical errors in Quotations are subject to correction. All Quotations are based on The Buyer accepting over-run and under-run, not exceeding ten percent (10%) of quantity of Goods ordered.

8. Offer Revocable

The Seller reserves the right to revoke this Offer at any time before acceptance by The Buyer.

9. Cancellation of Order.

No Order for Goods from The Buyer to The Seller can be cancelled by The Buyer subsequent to acceptance of said Order by The Seller without The Seller's express written consent. In the case of a cancellation consented to by The Seller, The Buyer will indemnify The Seller against loss for commitments made, production costs incurred, and work already done for satisfaction of said Order.

10. Terms of Payment

The Seller reserves the right to require payment from The Buyer prior to time of shipment if, in The Seller's opinion, exercised in The Seller's subjective, good faith judgment, The Buyer's financial condition has deteriorated or the risk of non-payment has otherwise increased.

11. Price is not Inclusive of Taxes

Any tax or other charge now or hereafter imposed by any government authority upon the production, sale, or shipment of any Goods by The Seller shall be added to the purchase price and shall be paid by The Buyer to The Seller.

12. Overdue Accounts

Overdue accounts for payment by The Buyer are subject to interest at two percent (2%) per month.

13. Delivery

All Goods shall be delivered to the possession of a carrier for transport. Delivery to the Buyer shall be deemed complete when Goods are so delivered to the carrier. All shipments of Goods shall be in bulk unless otherwise agreed upon between the parties.

(cont.)



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14. The Buyer to Furnish Instructions as to Delivery and Pay Transportation Charges

The Buyer shall furnish instructions in writing to the Seller with regard to shipment and delivery of the Goods and shall state the times and places for such delivery and the quantity to be delivered in each shipment. Written instructions shall be furnished when the offer is accepted. If written instructions are not furnished, then shipment shall be F.O.B. the Seller's place of business and the risk of loss shall be upon The Buyer when Goods are delivered to a carrier, as contemplated in Clause 13. The Buyer shall pay all transportation charges.

15. Failure to Deliver Excused

The Seller shall not be liable for any failure to deliver hereunder when such failure has been occasioned by fire, embargo, strike, differences with workers, failure to secure materials from usual sources of supply, or any other circumstances beyond The Seller's control which shall prevent The Seller from making deliveries in the usual course of business. The Seller is not, however, relieved from making shipment or The Buyer from accepting delivery at the agreed price when the causes interfering with deliveries are removed.

16. The Buyer to Inspect Goods

Upon the arrival of the Goods at their destination, the Buyer shall have the right to examine and inspect the Goods before accepting delivery. Such inspection shall be made within a reasonable period of time after the arrival of the Goods at their destination, or The Buyer shall be deemed to have accepted same.

17. Acceptance of Goods

The Buyer agrees that, if it retains the Goods in its possession for a period in excess of five (5) days after the earlier of inspection or passage of a reasonable time for inspection by The Buyer, unless The Buyer notifies The Seller of any non-conformity within such period, The Buyer irrevocably shall have accepted the Goods and shall have waived all claims that the Goods do not conform with specifications or the terms and conditions herein.

18. Acceptance Satisfies The Seller's Obligations

The Buyer agrees that if it accepts the Goods tendered under these terms and conditions, such acceptance will be deemed acknowledgment by The Buyer that the Goods satisfy all of The Seller's obligations. The Buyer may not revoke its acceptance of the Goods for any reason.

19. Each Instalment Deemed Separate Sale

The Buyer shall pay the agreed price for each instalment without regard to the failure to deliver subsequent instalments of the Goods. The Seller's default in the delivery of any instalment shall not excuse The Buyer's obligation to accept any other instalment.

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