



PRIME PRODUCTS, INC.

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Sales Order Terms and Conditions

1. **SCOPE:** This document defines the standard sales order terms between the seller, Prime Products, Inc. (PPI), and the Customer. Any alteration to these terms must be agreed upon in writing between both parties.
2. **PAYMENT TERMS:** Net 30 days. Customer must provide the following information to set up an account:
 - Company name, address, phone, and website
 - Accounts payable contact info including an email address for invoices
 - Federal Tax Identification Number (TIN)
 - Dun & Bradstreet Number
 - Financial institution with contact info
 - A minimum of three credit references with contact info
 - Preferred shipping carrier and account number (UPS, FedEx, etc.)
3. **SHIPPING TERMS:** Delivery point is FCA - PPI Dock (Incoterms 2010). PPI's preferred carrier is United Parcel Service (UPS). FedEx is permissible with the exclusion of FedEx Ground.
4. **PRICING:** Quoted prices are based on material costs at the time of quotation. Prices are subject to change at the time of order placement.
5. **LEAD TIME:** Quoted lead times are based on material lead times and production capacity at the time of quotation. Lead times are subject to change at the time of order placement. Lead times do not include transit time unless otherwise noted. Additional lead time may be required for company holidays.
6. **TECHNICAL EXCEPTIONS:** Technical exceptions included on the quote must be addressed by Customer prior to order acceptance.
7. **ERRORS:** Errors in the quotation or order acknowledgement may be subject to correction.
8. **STOCK:** In-stock product may be purchased for the last price paid plus a holding/order processing charge of \$100 for domestic orders and \$150 for international orders. This charge will be waived if the entire stock quantity is purchased. All stock must be delivered in one shipment.
9. **CUSTOMER-SUPPLIED BLANKS:** PPI will process all of the customer-supplied blanks that are received unless other arrangements have been agreed to in writing by PPI and Customer. Yields above the order quantity will be invoiced at the full unit price. PPI cannot guarantee 100% yield and is not responsible for the cost of customer-supplied blanks that are damaged during normal processing. Nonconforming product will be returned to the customer in a separate bag or other container with a nonconformance tag unless Customer has requested in writing for the nonconforming product to be scrapped at PPI.
10. **SPLIT DELIVERIES:** Customer may split deliveries with a \$500 min value for each US shipment and a \$1,000 min value for each international shipment. All deliveries must be taken within one year of the order date.
11. **EARLY SHIPMENTS:** PPI may deliver product early by an unlimited number of days unless an early shipment window is defined by Customer.
12. **EXPEDITES:** An expedite charge may apply for the delivery of product inside the quote or contract lead time. This charge will be based on the projected costs for administration, production setups, overtime and expedited shipping of materials or outside processes.
13. **FAIR's:** A charge may apply for first article inspection reports (FAIRs) per AS9102.
14. **CHANGES:** Orders may not be changed unless agreed upon in writing by PPI and Customer.

15. CANCELLATIONS: A cancellation charge may apply for all cancelled orders. This charge will cover all costs incurred up to the point of cancellation, including administration and development costs.
16. PACKAGING: PPI will package products to provide protection during transit based on the shipping method selected by Customer. PPI is not liable for damage caused during transit.
17. RETURNS: A return material authorization (RMA) number is required for all returns. RMA's are valid for 30 days. The RMA number must be noted on the return shipment packing slip. Customer is responsible for return shipment costs for material that has been in Customer's possession for more than 90 days. A charge may apply to cover administrative, inspection and/or shipping costs if it is determined that returned material is conforming or was conforming when it shipped from PPI.

Customer must provide the following information to obtain an RMA number:

- Part number
 - Purchase order (PO) or packing slip number
 - Quantity to return
 - Statement of the specific PO or drawing requirement that is nonconforming
 - Picture of the nonconformity (if possible)
18. CREDITS: A credit will be processed in the amount shown on the RMA after returned material has been received.
 19. REPLACEMENTS: A new order (or new line on an open order) is required for the replacement of returned material.

REVISIONS			
LEVEL	DESCRIPTION	DATE	APP'D BY
F	Modify header. Add revision table. Section8: Reduce holding/order processing charges and offer to waive charges if entire stock quantity is ordered.	8/20/2015	JJM
G	Remove fax number from header. Modify Section 5, LEAD TIME.	6/15/2017	JJM