## STANDARD CONDITIONS

THIS Proposal/Agreement is by and between TST Tooling Software Technology, LLC ("TST"), a Michigan limited liability company (hereinafter referred to as "TST") and the customer. Both parties agree that the following provisions shall be part of the Proposal/Agreement.

- 1. PROJECT. TST hereby contracts with customer to perform the scope of work (hereinafter referred to as the scope of work or project) as described on your Quote. The scope of work is an integral part of this Proposal/Agreement and shall control TST'S obligations to provide services. The services not expressly or implicitly included with those specified in your Quote, as determined by TST, are not covered by this Proposal/Agreement.
- 2. CONSIDERATION. TST shall be paid for all services rendered in accordance with the price quotation which is shown on the Quote and incorporated herein by reference. All price quotations are based on normal work conditions. All abnormal conditions shall result in additional charges. As used herein, abnormal conditions include but are not limited to manufacturer delays, construction delays, delivery delays, etc. Any changes in specified equipment used, material, parts, scope of work, timing or plans and specifications will be subject to extra charges.
- 3. PERFORMANCE. TST shall provide parts and labor for a period of Ninety (90) Days from the last date all services are performed and/or equipment/software is delivered under this Proposal/Agreement for equipment failure that is not the result of customer misuse, abuse, improper storage, improper use, or faulty or defective wiring or electrical systems (other than that provided and installed by TST). THERE ARE NO WARRANTIES WHICH BEYOND THE DESCRIPTION IN PROPOSAL/AGREEMENT. TST DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OF THE GOODS OR OF THE FITNESS OF THE GOODS FOR ANY PURPOSE, AND CUSTOMER AGREES THAT THE GOODS ARE SOLD "AS IS." TST DISCLAIMS ALL EXPRESS WARRANTIES EXCEPT THOSE THAT APPEAR IN THIS SECTION 3 OF THE PROPOSAL/AGREEMENT. THE USE OF A SAMPLE OR MODEL DURING THE NEGOTIATIONS LEADING TO THIS PROPOSAL/AGREEMENT SERVES MERELY TO INDICATE THE TYPE OF GOODS THAT WILL BE TENDERED TO THE SAMPLES OR MODELS CREATE NO CUSTOMER. WARRANTY THAT THE GOODS WILL CONFORM TO THE SAMPLES OR MODELS. THE GOODS COVERED BY THIS PROPOSAL/AGREEMENT ARE OFFERED "AS IS" AND "WITH ALL FAULTS." CUSTOMER UNDERSTANDS AND AGREES THAT ALL WARRANTIES IMPLIED BY THE PROVISIONS OF THE MICHIGAN UNIFORM COMMERCIAL CODE ARE EXCLUDED FROM THIS SALE. TST SHALL NOT BE LIABLE FOR DELAYS CAUSED BY WEATHER, STRIKES, OR ACCIDENTS. TST SHALL NOT BE LIABLE FOR ANY CLAIM, DAMAGE, COST OR EXPENSE, INCLUDING ATTORNEY FEES, OR OTHER LIABILITY NOT DIRECTLY AND SOLELY CAUSED BY THE NEGLIGENT ACTS, ERRORS OR OMISSION OF TST. IN NO EVENT SHALL TST BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE TO THE CUSTOMER'S PROPERTY IN CONNECTION WITH THE PERFORMANCE OF SERVICES HEREUNDER. IN ANY EVENT, THE LIABILITY OF TST HEREUNDER SHALL NOT EXCEED THE AGGREGATE OF ALL FEES PAID TO TST BY CUSTOMER WITH RESPECT TO THE PROJECT. THE CUSTOMER SHALL GIVE WRITTEN NOTICE TO TST OF ANY CLAIM OF **NEGLIGENT ACT, ERROR OR OMISSION WITHIN NINETY (90)** DAYS AFTER THE COMPLETION OF THE WORK PERFORMED BY TST. FAILURE TO GIVE NOTICE HEREIN REQUIRED SHALL CONSTITUTE A WAIVER OF THE CLAIM BY CUSTOMER. The customer has the final responsibility to review designs. TST specifically excludes any material costs, lost hours, scrap steel or other hard charges.
- **4. TERMINATION.** This Proposal/Agreement may be terminated by either party upon five (5) days prior written notice. In the event of termination, TST shall be paid up to the effective date of termination for all services rendered by it and all costs incurred and for any and all equipment purchased and/or ordered which cannot be canceled without additional charge.
- 5. PAYMENT. TST shall bill for services rendered, all costs incurred, and materials and equipment sold. Unless otherwise noted in writing, each invoice shall be due and payable within thirty (30) days of the date of the invoice, except invoices for computer hardware which are due upon receipt of the hardware.

Invoices remaining un-paid beyond Invoiced terms shall be subject to a) the forfeiture of any and all discounts applied to said invoice; b) monthly billing charges according to Client's account balance:

Billing Charge	Account balance is between
\$75.00	\$1.00 and \$5,000.00
\$150.00	\$5,000.01 and \$10,000.00
\$225.00	\$10,000.01 and \$15,000.00
\$300.00	\$15,000.01 and \$20,000.00
\$375.00	\$20,000.01 or more.

TST may suspend performances of services until all prior amounts incurred by the customer are paid in full.

**6. REMITTANCE.** Certain types of remittance requires special handling by TST and are subject to Convenience Fees:

Domestic/International Wire Transfer \$15.00/\$45.00
Credit Card 4% of payment amount

ACH or Check None

- TAXES. All Federal, State, Local and other taxes levied on equipment, software and services shall be borne by the customer.
- **8. INSTALLATION AND TRAINING.** Charges for Installation and Training of Customer's purchased equipment and software are Customer's responsibility unless otherwise specified. All Installation/Training days not used within 365 days from acceptance of quote are forfeit,
- 9. ARBITRATION. Any dispute arising pursuant to any contract to which the terms and conditions hereof shall apply shall be submitted to arbitration in Pontiac, Michigan, in accordance with the rules of American Arbitration Association. The award of the single arbitrator shall be final and binding on the parties. Judgment upon any award rendered may be entered in any court having jurisdiction.
- **10. INSURANCE.** Upon request, TST shall furnish customer a written description of insurance coverage then being maintained by TST which may be related to the performance of services by TST under this Proposal/Agreement. No oral representations regarding such insurance shall be binding upon TST.
- 11. INDEMNITY. Customer agrees to indemnify, protect and hold harmless TST from and against all liability, claims, demands, losses, damages, expenses and costs (including attorney fees) relating in any way to the performance of services by TST under this Proposal/Agreement; provided, however, that the customer shall not be obligated to indemnify TST for any injury or damage (other than incidental or consequential damage) caused directly and solely by the negligent acts, errors, or omissions of TST.
- 12. FEDÉRAL/MICHIGAN RIGHT TO KNOW COMPLIANCE. In compliance with Michigan Right to Know Law and the Federal Hazard Communication Standard, customer shall provide TST with a detailed list of all hazardous substances and chemicals located upon the site which employees and agents of TST may be exposed to under the terms of this Proposal/Agreement.
- **13. WAIVER.** No waiver, discharge, or renunciation of any claim or right of TST arising out of a breach of this Proposal/Agreement by customer shall be effective unless in writing and signed by TST and supported by separate consideration.
- **14. GOVERNÍNG LAW.** This Proposal/Agreement shall be deemed to have been made in Oakland County, Michigan, and shall be governed by and construed in accordance with the laws of the State of Michigan.
- **15. ACCEPTANCE.** An electronic signed copy of this Quotation along with a Purchase Order and/or Order Confirmation provides proof of acceptance by the customer. This Proposal/Agreement shall not be effective until the Proposal/Agreement is signed by James A. Kesteloot, President of TST.
- **16. AMENDMENTS.** This Proposal/Agreement may be amended only by a written instrument signed by both the customer and TST which expressly refers to this Proposal/Agreement.
- 17. LICENSE AGREEMENT. CUSTOMER ACKNOWLEDGES AND AGREES THAT IT SHALL BE BOUND BY THE ATTACHED LICENSE AGREEMENT AND THAT IF THERE IS A CONFLICT BETWEEN ANY TERM OR CONDITION OF THE LICENSE AGREEMENT AND THIS PROPOSAL/AGREEMENT THAT THE TERMS AND CONDITIONS SET FORTH IN THE LICENSE AGREEMENT SHALL PREVAIL OVER THE TERMS CONTAINED IN THIS PROPOSAL/AGREEMENT.