

Notes for IPU Industries price quote

1. References:

1.1. Customer's drawings and 3D models as noted on the main price quote.

2. Underlying assumptions:

2.1. The molds and injected parts will be producing by IPU Industries LTD, according to the 3D CAD part files and approved for production 2D part drawings signed by the customer.

2.2. Additional processes and tests shall be quoted separately if required.

3. Technical Specifications:

See "Marks" column at the main price table.

4. Comments:

4.1. For mold production:

4.1.1. All mold prices are at IPU plant.

4.1.2. The prices are for complete sets of molds as specified at the price quote.

4.1.3. Mold tests will be for 3 rounds until Mold and Part confirmation.

4.1.4. 6 samples from each cavity will be supplied and delivered with supplier account.

4.1.5. Deliveries of samples upon additional Mold tests will be made and paid directly by the customer.

4.2. For part production:

4.2.1. Injected unit prices as detailed in the above table are given **in Israel**.

4.2.2. All Minimum Order Quantity prices are based on single batch.

4.2.3. Purchase orders for less than the above MOQ or for change of color of parts will incur an additional setup cost for each mold.

4.2.4. The above unit prices are valid at the date of the quotation and are subject to change in future, according to price list updates from our supplier. In the event of unit price update; an advance notice of 30 days will be given.

4.2.5. Color matching between different production batches, might have a difference in the range of +/-10%, according to colorimeter readings.

4.2.6. The prices are for complete sets of parts as specified at the price quote. In the event of a partial order, the unit prices will be revised.

4.2.7. Prior to commercial parts production, a QC specification report will have to be setup for defining the QC inspection test procedures and acceptance test criterions. The specimen size and/or QC specifications are in accordance to 5% AQL, level 2 standard. In the case of other specimen size and/or QC specifications the unit price might be changed.

4.2.8. COC documents, including our supplier declaration for the resins used will be supplied with the goods. In case of a request for other additional certificates which involve laboratory tests, the request will be quoted separately.

4.3. Price includes:

4.3.1. Detailed mold concept drawing for each mold.

4.3.2. Mold validation.

4.3.3. Packaging in a separate PE bag for each item with visual surfaces, bulk packaging for small technical parts and final packaging in cardboard boxes for shipment. Requests for different ways of packaging will be quoted separately.

4.4. Price shown in the price quote does not include:

- 4.4.1. Experiments and functional test of parts and assemblies for design verification.
- 4.4.2. VAT, taxes, surcharges and other taxes as required by law.

5. Lead Time:

- 5.1. The work will start after receiving a PO, to be confirmed by IPU Industries, and the advance payment – the latest between both.
- 5.2. For Molds – See main price quote – Part 1.
- 5.3. For Plastic parts - – See main price quote – Part 2.
- 5.4. Will be set according to the time of receiving the PO and the quantities in the PO.

6. Confirmation of molds and parts:

6.1. Molds:

- 6.1.1. Parts which will be checked by IPU Industries LTD. and found in accordance to the part drawing specifications will be provided to the customer. The customer will be responsible for all the required verification tests. Following the approval, the parts will be defined as T-Final.
- 6.1.2. 3 sets of T-Final will be used for future QC reference. The sets will be signed by the customer and the QA manager in IPU Industries LTD. The samples will be stored in IPU INDUSTRIES LTD., at the customer and at the manufacturer.

6.2. For parts from a batch production:

- 6.2.1. The customer will confirm samples sent from the production batch, this in accordance to the originally signed samples of T-Final and the acceptance test specifications and a quantity of samples which will be defined and agreed in advance.
- 6.2.2. Any other procedure will be setup in accordance to the time of PO receiving and the quantity of the PO.

7. Liability

- 7.1. IPU INDUSTRIES LTD. warrants a full guarantee to the molds as long as the molds will produce under IPU INDUSTRIES LTD.
- 7.2. The full guarantee, as mentioned in above, is limited to the mold life cycles as noted in the main price quote.
- 7.3. Under the guarantee, as mentioned above IPU INDUSTRIES LTD. is obligated to fix only substantial break damages within the main inserts or plates of the molds. IPU Industries LTD. will not cover Logistics costs for fixing the mold.
- 7.4. IPU INDUSTRIES LTD. above mentioned guarantee will not be valid in cases of wrong usage or inappropriate maintenance of the molds or because of a force majeure.
- 7.5. In the event of activating the above-mentioned guarantee, IPU INDUSTRIES LTD. will fix or replace the broken part by the Mold manufacturer in China.
- 7.6. IPU INDUSTRIES LTD. guarantee is limited to the injected part within the tolerances of the part drawings. Changes in the requested part, for any reason, will be paid by the purchaser.
- 7.7. IPU INDUSTRIES LTD. will be responsible to perform a quality control procedure as agreed.
- 7.8. The purchaser will perform an acceptance test to the plastic parts immediately after their arrival to its warehouse and in case of finding failure parts, the purchaser will be able to receive only financial credit according to the above detailed item value, this is after the

purchaser has transferred to IPU INDUSTRIES LTD. his failure report, and subjected to the confirmation of IPU INDUSTRIES LTD. and the returning of the failure parts to IPU INDUSTRIES LTD.s offices in Yavne I.Z. during a period of 2 months from the date of releasing the goods for delivery.

- 7.9.** IPU INDUSTRIES LTD. will not bear and will not take part in any expense or damage that might occur to the purchaser upon this alliance, especially not for transportation costs of good or rejected parts, storage costs, dismantling, assembly, loss of revenues, traveling costs and so on.
- 7.10.** The purchaser is obliged to indemnify IPU INDUSTRIES LTD. in any case in which he will be sued by any third party upon corporal damages and/or property damages that were caused to a third party upon usage of the purchaser's product which was produced by the molds as listed under this quotation / purchase order (Product Liability).

8. Payment Terms

8.1. For Molds

- 8.1.1. 40% - Advance payment to be paid immediately in cash with the purchase order.
- 8.1.2. 30% - to be paid in cash, within 7 days from receiving T0 samples.
- 8.1.3. 30% - to be paid in cash within 7 days from the final confirmation of all the molds and before the beginning of the first production batch or shipment of the molds to Israel, and not later than 3 months after T0 date.

8.2. For Parts

- 8.2.1. 50% - Advance payment in cash with purchase order.
- 8.2.2. 50% - To be paid on EOM+30 days from the date the goods are ready for delivery.
- 8.2.3. The payments will be done via bank transfer of foreign currency of USD.
- 8.2.4. In case that the payment will be done in NIS, the payment amount will be calculated according to the higher exchange rate value at the payment date.
- 8.2.5. Our quotation does not include anything which is not explicitly mentioned in it. In any case of incompatibility between the PO document and this quotation, the terms as detailed in this quotation will prevail.

8.3. Quotation valid – See price quote.

Please feel free to contact us with any question or clarification.
We look forward to receiving your order.

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