TTC001 Titoma Terms & Conditions

1. Client shall indicate all product expectations in the Specification: if it is not specified it is not likely to be realized. Concerns on specific performance criteria, such as child safety, waterproofing, shock-proofing, temperature-proofing, etc. should be indicated in the Specification before start of the project, so the design can be optimized for it.

2. Client shall list in the Specification specific instructions on the impact on the Design of all applicable legal requirements, regulations, standards, and certifications with which the Product needs to comply in the countries where the Client intends to sell it.

3. Based on the Specification, Titoma proposes a Design which needs to be approved by Client before Titoma starts the next stage, for example prototyping or mold making. Titoma cannot guarantee that its proposed Design will meet all specifications 100% the first time. If additional iterations are needed, these will be quoted and billed according to the reasonable additional budget needed. When, after research and testing, certain functionalities turn out to be more expensive to implement than originally estimated, Titoma will propose costed alternatives for Client to choose from. Setbacks can and do occur in product development, Clients are recommended not to make big commitments (trade shows etc.) until they have approved the Final Design.

4. Client will supply the expertise on how and where the product will be used, and to field test the prototypes and pilot run samples in the various actual usage circumstances. When Client has tested the units to its satisfaction, Client will approve the Final Design and Titoma proceeds with Mass Production (MP).

5. Titoma warrants to not intentionally design or manufacture any Product which infringes on a patent. Responsibility to research whether the Final Design infringes on any patent’s rests with Client, and Client will hold Titoma harmless from any claim relating to infringement of Intellectual Property resulting from Titoma filling orders for Client.

6. Titoma warrants that it will manufacture the Product only for Client, and for no other party.

7. Costs of Molds and Products are estimated and will be confirmed upon approval of the Final Design.

8. In the event lead time and/or pricing for components were to increase the critical path of delivery, or impact the unit cost by more than 4%, Titoma will notify Client and submit the revised cost / lead time for Client’s approval, and where possible suggest alternatives.

9. Titoma warrants that all MP Products shipped conform to the approved Final Design. Warranty period is 12 months upon completion of production. Titoma will at its option refund, repair or replace defective units, and ship repaired and/or replaced units to client with the next order. Client pays for shipment of the defective units to country of origin, Titoma pays for the return-shipment by same mode of transport. Warranty only applies to units which have been handled with due care and have been operated according to the instructions in the user manual, the contents of which shall be approved by Titoma before start of MP. Should failure rate be epidemic (over 7% on a MP batch), Titoma will send a representative to investigate and solve problems on the spot where possible. If on site repairs are not possible, then the batch will be sent back to factory to be repaired or replaced in the shortest reasonable term.

10. Titoma provides support and communication with the forwarders but is not responsible for the shipping process.

11. Titoma will provide Production at the facilities selected and trained up by Titoma, without Titoma’s continued involvement, Client is free to take the Final Design and all Deliverables listed on invoices and paid in full to a different facility. Client will not continue production of custom parts and assemblies at the facilities selected and trained up by Titoma, without Titoma’s continued involvement, unless otherwise agreed upon in writing.

12. Both Client and Titoma agree not to solicit, tamper with, nor offer employment to any of the other Party’s direct employees, independent contractors, agents, or affiliates without prior written permission of the other Party.

13. Molds are designed for production in China or Taiwan and are not necessarily optimized for use in Western countries. Molds will be stored safely in Titoma’s designated factory and regularly maintained. Molds dormant for more than twelve months from last production date are subject to maintenance charges of $250 per mold per year at Client’s expense, or to release for recycling.

14. Client shall list in the Specification specific instructions on the impact on the Design of all applicable legal requirements, regulations, performance criteria, such as child safety, waterproofing, shock-proofing, temperature-proofing, etc. should be indicated in the Specification before start of the project, so the design can be optimized for it.

15. Titoma’s risks in relation to the products and their users shall be fully discharged if the quality thereof meets that of the approved Final Design. All other risks, regardless of kind, which relate to the sale or use of the Product shall be for the account of Client. Except as expressly stated elsewhere herein, there are no warranties, express or implied, including, without limitation, any warranty of merchantability or fitness for any purpose. Titoma shall have no responsibility for any particular application made of the Product and shall not be liable to Client or any other party for any special, incidental, or consequential damages based on lost goodwill, sales, or profits, work stoppage, product failure, impairment of other goods or otherwise, whether arising out of breach of warranty, contract, negligence or otherwise. No claim shall be made against Titoma for damages which Client may have suffered allegedly as the result of any error or omission or other deficiency in the services or products provided by Titoma, in excess of monies paid to Titoma under this Invoice.

16. If any claim arises out of this Transaction, the prevailing party shall be entitled to recover its reasonable attorneys’ fees and costs.