

# TERMS AND CONDITIONS

**1 CONTROLLING PROVISIONS:**

These terms and conditions shall control with respect to any purchase order of sale of Seller's products. No waiver, alteration or modification of these terms and conditions whether on Buyer's purchase order or otherwise shall be valid unless the waiver, alteration or modification is specifically accepted in writing and signed by an authorized representative of Seller.

**2 DELIVERY**

Seller will make every effort to complete delivery of products as indicated on Seller's acceptance of an order, but Seller assumes no responsibility or liability, and will accept no back charge, for loss or damage due to delay or inability to deliver caused by acts of God, war, labor difficulty, accident, delays of carriers, by contractors or suppliers, inability to obtain materials, shortages of fuel and energy, or any other causes of any kind whatever beyond the control of Seller. Seller may terminate any contract of sale of its products without liability of any nature, by written notice to the Buyer, in the event that the delay in delivery or performance resulting from any of the aforesaid causes shall continue for a period of sixty (60) days. Under no circumstances shall Seller be liable for any special or consequential damages for loss, damage, or expense (whether or not based on negligence) directly or indirectly arising from delays or failure to give notice of delay.

**3 WARRANTY:**

Seller warrants for one year from the date of shipment Seller's manufactured products to the extent that Seller will replace those having defects in material or workmanship when used for the purpose and in the manner which Seller recommends. If Seller examination shall disclose to its satisfaction that the products are defective, and an adjustment is required, the amount of such adjustment shall not exceed the net sales price of the defective products and no allowance will be made for labor or expense of repairing or replacing defective products or workmanship of damage resulting from the same. Seller warrants the products which it sells of other manufacturers to the extent of the warranties of their respective makers. Where engineering design or fabrication work is supplied. Buyer's acceptance of Seller's design or of deliver of work shall relieve Seller of all further obligation, other than expressed in Seller's product warranty. THIS IS SELLER'S SOLE WARRANTY. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FOR A PARTICULAR PURPOSE WHICH EXCEED SELLER'S AFORESTATED OBLIGATION ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED FROM THIS WARRANTY. Seller neither assumes, nor authorizes any person to assume for it, any other obligation in connection with the sale of its engineering designs or products. This warranty shall not apply to any products or parts of products which (a) have been repaired or altered outside of Seller's factory, in any manner; (b) have been subjected to misuse, negligence or accidents; (c) have been used in any manner contrary to Seller's instructions or recommendation. Seller shall not be responsible for design errors due to inaccurate or incomplete information supplied by Buyer or its representatives.

**4 SELLER'S LIABILITY:**

Seller will not be liable for any loss, damage, cost of repairs, incidental or consequential damages of any kind, whether based upon warranty (except for the obligation accepted by Seller under "Warranty" above), contract or negligence, arising in connection with the design, manufacture, sale, use or repair of the products or of the engineering designs supplied to Buyer.

**5 RETURNS:**

Seller cannot accept return of any products unless its written permission has been first obtained, in which case same will be credited subject to the following: (a) all material must, on its arrival at Seller's plant be found to be in first-class condition; if not, cost of putting insaleable condition will be deducted from credit memoranda; (b) a handling charge deduction of twenty percent (20%) will be made from all credit memoranda issued for material returned; (c) transportation charges, if not prepaid will be deducted from credit memoranda.

**6 SHIPMENTS:**

All products sent out will be carefully examined, counted and packed. The cost of any special packing or special handling caused by Buyer's requirements or requests shall be added to the amount of the order. No claim for shortages will be allowed unless made in writing within ten (10) days of receipt of a shipment. Claims for products damaged or lost in transit should be made on the carrier, as Seller's responsibility ceases, and title passes, on delivery to the carrier.

**7 SPECIAL PRODUCTS:**

Orders covering special or nonstandard products are not subject to cancellation except on such terms as Seller may specify on application.

**8 PRICES AND DESIGN:**

Prices and designs are subject to change without notice. All prices are F.O. B. point of shipment, unless otherwise stated.

**9 TAXES:**

The amount of any sales, excise or other taxes, if any, applicable to the products covered by this order, shall be paid by Buyer unless Buyer provides Seller with an exemption certificate acceptable to the taxing authorities.

**10 NUCLEAR PLANTS:**

Where the products, engineering design or fabrication are utilized in nuclear plant application, Buyer agrees: (a) to take all necessary steps to add Seller as an insured under the property insurance policies and nuclear liability insurance policies covering the nuclear power plant facility at which the products, engineering design or fabrication are utilized; (b) to obtain a waiver of any claims against Seller by the nuclear power plant owner and a waiver of subrogation against Seller from such owners' property insurer with respect to any loss or damage to property at the nuclear power plant site arising from the products, engineering design or fabrication; (c) to indemnify and hold Seller harmless against all claims, costs, expenses (including attorneys fees), loss, damage, or other liability that Seller would not have incurred but for Buyer's failure to comply with subsections (a) and (b) of this section 10 and (d) to indemnify and hold Seller harmless with respect to any personal injury (or death), property damage or other loss resulting from a nuclear incident which is caused directly or indirectly by defective design, material or workmanship furnished by Seller.

**11 MINIMUM INVOICE:**

No minimum order.

**12 TERMS:**

Cash, net 30 days unless otherwise specified.

NOTE: All orders are accepted on the basis of prices in effect at the time of shipment.

NOTICE: The prices and terms quoted will include the addition of any manufacturers or sales tax payable on the transaction under any effective statute.

**13 FREIGHT ALLOWANCE:**

All prices are F.O.B. point of shipment. On (non-engineered product) shipments of 2,500 pounds or more, rail freight or motor freight at the lowest published rates is allowed to all continental U.S. rail points or all U.S. highway points listed in published tariffs (Alaska, Hawaii and Puerto Rico excluded). In no case will more than actual freight be allowed.