

## Terms and Conditions of Sale

**Thank you for purchasing products from Stainless Foundry and Engineering. All products are sold subject to the following Terms and Conditions:**

### Acknowledgement – Controlling Provisions

Stainless Foundry & Engineering, Inc. (“SF&E”) acknowledges the order of addressee of this acknowledgement (“Customer”) and both parties expressly agree to sell the goods described herein only on the terms hereof (as well as the terms of documents specifically referenced herein), notwithstanding any language of Customer’s purchase order, if any, or other writing previously or hereafter received by SF&E purporting to amend, modify, or replace the terms of this acknowledgement with any different or additional terms or reciting that states that any action or inaction by SF&E constitutes agreement to additional or different terms. Further, there shall be no oral modification of the terms and conditions of sale.

### Incorporated Documents

This document expressly incorporates all provisions of the SF&E quote agreed to by the Customer, the SF&E Quote Terms and Conditions, and the SF&E Supply Agreement.

### Warranty or SF&E

- (a) SF&E warrants that its products, so far as they are of SF&E’s manufacture, will conform to the specifications agreed to by SF&E and Customer and will be free of defects in materials and workmanship on the date of delivery. THERE ARE NO OTHER EXPRESS WARRANTIES. THERE ARE NO IMPLIED WARRANTIES THAT THE GOODS SHALL BE MERCHANTABILITY OR FIT FOR ANY PARTICULAR PURPOSE INDICATED BY CUSTOMER.
- (b) If SF&E reasonably determines that its product fails to conform to the specifications agreed to by SF&E and Customer, SF&E shall remedy the non-conformity. For the purposes of this document, “remedy the non-conformity” shall include: (1) repairing the non-conforming product; (2) replacing the non-conforming product; or (3) issuing credit for any non-conforming product. SF&E reserves the right to determine which of the three methods above shall be used to remedy the non-conformity. THIS PART (b) PROVIDES SF&E’S SOLE OBLIGATION UNDER THIS WARRANTY AND PROVIDES CUSTOMER’S EXCLUSIVE REMEDY UNDER THIS AGREEMENT. In no event shall SF&E be liable for any special or consequential damages or for machine work, labor charges, or other expenses incurred on products, which do not conform to specifications.
- (c) On products furnished by SF&E, but manufactured by others, the written warranty of the manufacturer, if any, will be assigned to Customer. However, SF&E does not adopt and does not guarantee or represent that the manufacturer will comply with any of the terms of such warranty.

### Warranty of Customer

- (a) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of an actual or alleged infringement of any patent, trademark, or other proprietary right relating to the manufacture and sale of products manufactured in accordance with patterns, designs, alloy specifications, or design information supplied by Customer.
- (b) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of Customer’s refusal to accept product furnished by SF&E that conforms with the specifications agreed to by SF&E and Customer.
- (c) Customer shall indemnify and hold harmless SF&E from any loss, liability, or expense arising out of Customer’s changes to specifications agreed to by SF&E and Customer.

### Tools and Equipment

SF&E shall have no responsibility or liability for errors in patterns and/or drawings, which may be furnished to it by Customer. SF&E shall not be liable for damages to pattern equipment except those due to SF&E’s negligence.

All patterns, tools or equipment, if any, furnished to SF&E by Customer will be stored by SF&E with all reasonable care without liability for their loss caused by theft, fire, flood, acts of God, or other causes beyond its reasonable control. Patterns on which partial refunds are made become SF&E’s property. Patterns are to be furnished by Customer. Prices are for rough castings only unless specifically noted otherwise and are contingent upon rigging to SF&E’s specification. Machining stock allowance should be approved by SF&E to guarantee clean up.

### Prices and Taxes

All orders are accepted with the understanding that SF&E reserves the right to adjust prices to SF&E’s prices prevailing at the time of shipment. In addition to the prices specified, Customer shall pay any taxes levied on the sale, delivery, storage, consumption, or transportation of goods sold. Prices stated hereon are believed to comply with applicable price regulations. If later determined to be otherwise, appropriate adjustments will be made.

### Terms of Payment

Customer shall pay SF&E charges within thirty (30) days of the completion of production.

### Delivery and Acceptance

- (a) Dates quoted hereon are approximate and are based upon proper receipt of all necessary information and materials to be furnished by Customer. All sales are F.O.B. SF&E’s shipping point. The acceptance of shipment by first class carrier shall constitute a delivery to Customer. SF&E shall not be liable for any delays or defaults hereunder by reason of fire, flood, acts of God, labor, troubles, inability to secure materials, acts of government, or other causes beyond its reasonable control. SF&E shall not be liable for direct, special, or consequential damages resulting from delay in delivery or failure to manufacture.
- (b) Products shall not be subject to acceptance or rejection on a basis of radiographic, magnetic particle, dye penetrant, or any other testing unless expressly stated in SF&E’s quotation.
- (c) Customer’s receipt of any goods shall be an unqualified acceptance of, and a waiver by Customer of any kind and all claims with respect to, such products on the earliest to occur: (i) failure of SF&E to receive written notice of rejection within 45 days of their receipt by Customer; or (ii) any other event constituting acceptance by Customer under applicable law. However, the Customer’s objections to the terms and conditions of sale as stated in this document shall not be a basis for the rejection of SF&E’s goods or for the Customer’s basis for any claims against SF&E as to its products. The Acknowledgement paragraph contained in this document controls and governs the terms and conditions of sale and is not waived by this paragraph.

### Customer Returns

Customer must obtain from SF&E prior authorization before returning product to SF&E’s location. Such authorization will not be unreasonably withheld. SF&E reserves the right to make a preliminary determination regarding the Customer’s claim against SF&E’s warranty. Products not first receiving a Return Authorization (RA) from SF&E’s Customer Service agent will not be accepted at SF&E’s location.

### Cancellation

Cancellation of any order, or any part thereof, shall be subject to all of the following terms: Customer shall pay the contract price of all Goods, which have been completed. Additionally, Customer shall pay the contract price of all Goods currently in process. Customer shall pay a sum equal to the same proportion of the contract price as the degree of completion of the goods in process on date cancellation is received. Termination charges on government contracts and subcontracts will be determined in compliance with applicable laws and regulations.

### Laws and Regulations

This agreement shall be interpreted according to the laws of the State of Wisconsin. All laws and regulations required to be incorporated in agreements of this character are incorporated herein by this reference.

### Shipping Tolerance and Packing

SF&E reserves the right to ship, plus or minus ten percent, the specified quantity unless otherwise specified on the purchase order. Unless Customer specified otherwise in writing, products will be packed as SF&E may deem proper for protection against normal handling, and extra charges will be made for additional protection of goods.

### Claims and Freight Costs

All claims of rejection must be made in writing by Customer within 45 days after receipt of goods from SF&E if credit is to be allowed or products are to be reworked or replaced. Responsibility for property protection of products returned for rework is that of Customer. If SF&E determines returned product is a valid claim against SF&E’s warranty, SF&E will be responsible for freight charges or else freight costs shall be borne by Customer.