

ISOSTATIC INDUSTRIES

Re: TERMS AND CONDITIONS OF SALE

1. **TOOLING** - It is understood that any tool, die or pattern charges or amortization in connection herewith, all tools, dies, patterns and similar items remain the property of the Seller.
2. **TAXES** - Buyer agrees to pay all excise or other taxes, if any, that may be levied on the products referred to herein or upon or in connection with the manufacture, sale or shipment thereof.
3. **CONDITIONS BEYOND ITS CONTROL** – The Seller will not be liable for failure to perform this order when such failure is due to conditions beyond its control, including but not limited to fires, floods, strikes or other industrial disturbances, accidents, war, riots, insurrection, liability to procure materials or equipment, Governmental acts, laws, regulations or rulings, including priorities, allocations, freeze or rationing orders. If shipments by the Seller are prevented by any of the foregoing conditions beyond the Seller's control, the Buyer will reimburse the Seller for all commitments of the Seller in connection with this order including the cost of material completed or in process at the time of the occurrence of such conditions.
4. **FINAL INSPECTION AND ACCEPTANCE** – Final inspection and acceptance of the material referred to in this order shall be at the Buyer's plant.
5. **WARRANTY** – Seller will replace such material as proves to be defective in workmanship or material within a period of thirty (30) days after final inspection and acceptance, or to allow credit for such material at the option of the Seller. Under no circumstance will the Seller be responsible for damages in excess of the price of the material sold hereunder.
6. **PRODUCT STORAGE** – Buyer must store all oil impregnated bearing products in non-absorbing containers or plastic bags. Do not store these products in paper based or cloth containers. Seller is not responsible for claims for dry bearing products if bearings products are not stored specified.
7. **CHANGES** – It is understood that the Buyer will pay for any additional expense incurred as a result of the Buyer changing specifications or requirements after its order has been accepted.
8. **CANCELLATION** – In the event of cancellation by the Buyer of this order, the Buyer shall promptly reimburse the Seller for (1) the unit contract price of all completed articles, (2) any unamortized portion of amortizable expense such as for tools, dies, patterns, "get-ready" and similar items, (3) the percentage of the unit contract price of uncompleted articles which is equal to the percentage of completion, as determined by the Seller, including any amounts expending or committed for by the Seller for productive materials and for labor performed thereon, and (4) any other expense reasonably incurred by the Seller in respect of cancellation. The Buyer shall at his own expense promptly remove all such productive materials from the Seller's property, it being understood that if the Buyer shall not so remove such materials within fifteen days after written request from the Seller, the Seller may remove such materials from its property and store them for the account and at the expense of the Buyer.
9. **GOVERNMENT REGULATIONS** – It is understood that the Seller will not be liable for failure to perform this order in the event that any Government price regulation, schedule, ceiling prescribes a price lower than the Seller's price, or in any way prevents the Seller from purchasing or otherwise acquiring any commodity or service necessary to the performance of this order, or in any way prevents the Seller from adjusting its prices in accordance with its usual accounting practice when the cost to it of any such commodity or service is increased.
10. **FAILURE OF THE BUYER** – In the event of failure of the Buyer to fulfill the terms of payment hereunder or any other stipulations contained herein, the Seller may at its election deter shipments until satisfactory performance has been made by the Buyer, or cancel all outstanding orders, and such deferment of shipments or cancellation of orders shall not prejudice any claim for damages the Seller may otherwise have against the Buyer.
11. **HOLD HARMLESS** – The Buyer shall save the Seller harmless from all liability and litigation expense occasioned by alleged use of any patented or unpatented inventions which result from the manufacture, use or sale of said articles or materials alone or in combination with other materials, structures or devices.
12. **BUYER SUPPLIED MATERIAL** – Notwithstanding any other provision herein, the Buyer will, upon the written request of the Seller, replace at the Buyer's expense any material the Buyer furnishes to the Seller hereunder which proves defective, and the Seller shall be excused from delivering and articles hereunder, until a reasonable time after the Buyer replaces such defective material with material conforming to the applicable specifications.
13. **QUANTITIES TO SHIP** – Unless specifically agreed to in writing by both Buyer and Seller, Seller reserves the right to over ship or under ship make-to-order and high volume stock / catalog order quantities up to 10% and in such cases the order will be considered complete.
14. **PAYMENT TERMS** – Terms are subject to Credit Department approval.
15. **SHIPPING POINT** – F.O.B. Sellers dock. Buyer responsible for risk of loss on all shipments made freight collect.
16. **RETURNS**
 - a. **Seller Fault** - Claims for shortages or defective material must be made within thirty (30) days from receipt of goods; any item claimed to be defective must be held for Seller inspection and disposition; refer to General Return Parameters for further instructions.
 - b. **Seller No Fault** – Requests to return must be made within three (3) months from Seller invoice date; \$20 line item minimum value; restock fee of 20% with \$20 min; customer responsible for freight and insurance costs to Seller dock; refer to General Return Parameters for further instructions.
 - c. **General Return Parameters** - customer must contact Seller Customer Service to obtain approval and RGA# PRIOR TO returning any product; Goods must be returned within 60 days of RGA issue date. RGA is not valid after the 60 day period; Product must be in saleable condition and purchased direct from Seller; Special quote, made-to-order Specials and large quantity standard stock items are NOT returnable; Credit is based on the original purchase price and subject to offset on any credits issued on original purchase price; Packaging requirements –packing slip must include Seller RGA#, pack all products in plastic bags as originally shipped for protection and prevention of oil leaching (from the bronze bearing products), pack each stock keeping unit (sku) separately and securely, label each sku / bag with quantity and item #, ship returns to Seller address, 4153 N. Kostner Ave, Chicago, IL 60641. Seller reserves the right to modify these terms without notice.
17. **FAIR LABOR STANDARDS** – Seller agrees to comply with all applicable requirements of Section 6, 7, and 12 of the Fair Labor Standards Act as amended and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.
18. **BILLING DISCREPANCIES** - Buyer is responsible to pay Seller according to the stated payment term on the invoice. Buyer is responsible to notify Seller within 30 days of the invoice date for any incorrect information on the invoice that would lead the Buyer to not pay the invoice per the stated payment term.