

CONDITIONS OF SALE

GENERAL CONDITIONS

All quotations are made and all castings are sold under the following terms and conditions.

1. Unless otherwise agreed, quotations are firm for (30) days from the date of quotation. Acceptance of this quotation is expressly limited to acceptance of each of the terms and conditions contained herein; nothing in the buyer's purchase order may change, alter or add to the terms and conditions contained herein, and RUSSELLOY IRON FOUNDRY hereby objects to any additional terms not contained in this quotation.
2. All castings are sold as unmachined castings, with risers, gates, fins, and similar metal removed, f.o.b. RUSSELLOY IRON FOUNDRY. Terms-Net 30 days following invoice date, unless otherwise stated. Minimum charge is \$250.00 per line item.
3. Claims for error in weight or number must within ten (10) days after receipt of castings.
4. RUSSELLOY IRON FOUNDRY shall not be liable in damages for failure to deliver as a result of fires, strikes, and differences with employees, governmental interferences, floods, acts of God, civil unrest, transportation delays, shortage of labor, power, fuel, materials or supplies, accidents, or other such causes beyond its control.

QUOTATIONS-ORDERS

5. Drawings submitted for estimating purposes should indicate rough casting weight, if known, or an estimated weight on which quotation will be based. A detailed description of available pattern equipment should be furnished. Casting prices which are quoted based on estimated or buyer supplied information shall be subject to adjustment based on the weight adjustment factor applied to the estimated or supplied weights and difference of assumed tooling description.
6. Unless otherwise specified by RUSSELLOY IRON FOUNDRY, quotations are based on castings with gates, risers, fins and ether projections removed to approximate the contour of the pattern.
7. RUSSELLOY IRON FOUNDRY reserves the right to add surcharges to their based quoted price in times of unusual increase in production costs, including but not limited to, increase in raw material or energy costs. This is done to preserve the true base price.
8. No order shall be changed unless notice of revision is made and accepted in writing by RUSSELLOY IRON FOUNDRY before work is in process. If work is in process, buyer will be charged for any work started prior to receipt of change notice including castings made as well as for any cores, molds or other material discarded because of such changes.
9. Cancellations of orders are to be made only by mutual consent of the buyer and seller.
10. Unless otherwise stipulated, the buyer shall accept an overrun or underrun of ten percent (10%) of the quantities specified on the order, however, RUSSELLOY IRON FOUNDRY will make an effort at all times to furnish as near the exact quantity specified as operating conditions will permit.
11. If the buyer requires special production service to secure unusual deliveries, or any special packaging requirement other than standard, extra charges will be negotiated.
12. If the buyer does not release castings for shipment on scheduled shipping date, RUSSELLOY IRON FOUNDRY has the right to invoice the buyer with regular payment terms applying to the date of invoicing.
13. Invoices not paid by the due date will accrue interest charges at the rate of 2.0% per month or fraction thereof (24% per annum).
14. If the buyers order varied in any respect from the quotation or order acknowledgment, the terms and conditions of the quotation or order acknowledgment will prevail unless changes are accepted in writing by RUSSELLOY IRON FOUNDRY.

PATTERNS & COREBOX EQUIPMENT

15. Unless otherwise specified on the front of this form, the buyer will provide drawings, specifications and pattern equipment. Buyer supplied drawings, specifications and pattern equipment must be in such condition as to allow for economical production of the quantity and quality of castings required.
16. RUSSELLOY IRON FOUNDRY does not warrant or guaranty casting compliance with drawing configuration, specification, dimensions or tolerances when castings are produced using buyer supplied pattern equipment. If requested by the buyer, RUSSELLOY IRON FOUNDRY will, at the buyer's expense, check the pattern equipment against the drawings and

specifications. Buyer is responsible for any work needed to correct variations existing between the drawings and specifications and the pattern equipment supplied by the buyer.

17. The buyer has the sole responsibility to inform RUSSELLOY IRON FOUNDRY of any drawings or specification changes which may affect pattern equipment or castings. Any related pattern equipment changes or casting cost increases will be at buyer's expense and are to be covered by appropriate buyer authorization and purchase order.
18. Castings being run for the first time must have written buyer approval of sample castings before production runs will be made. If the buyer waives sample inspection and approval before production, such waiver must be in writing and buyer thereby accepts responsibility for any castings produced.
19. All patterns, coreboxes and loose pieces thereof should be marked properly for identification.
20. Follow boards, core driers and similar devices, when required, are to be furnished by the buyer.
21. Patterns and equipment purchased by RUSSELLOY IRON FOUNDRY for production of the buyer's castings are the property of RUSSELLOY IRON FOUNDRY.
22. Buyer authorized repairs and changes to buyer's equipment will be made at buyer's expense.
23. All freight, boxes, crating and related charges on patterns moved to and from RUSSELLOY IRON FOUNDRY, shall be assumed by the buyer.
24. Pattern storage facilities are provided by RUSSELLOY IRON FOUNDRY for active patterns only. Buyer's patterns not in use for a period of twelve (12) months or more will be subject to return to the owner, freight charges collect, or will be subject to storage charges. If after reasonable efforts by RUSSELLOY IRON FOUNDRY to arrange for return or other disposition of inactive patterns are unsuccessful, such patterns may be subject to disposal at RUSSELLOY IRON FOUNDRY'S discretion.
25. RUSSELLOY IRON FOUNDRY does not carry insurance on buyer-owned patterns and is not responsible for any loss of or damage to buyer owned patterns by fire or any other cause.

ADDITIONAL TERMS AND CONDITIONS OF SALE

26. RUSSELLOY IRON FOUNDRY warrants the articles to be free from defects in material and workmanship. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, MACHINERY COSTS, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
27. RUSSELLOY IRON FOUNDRY sole liability and buyer's exclusive remedies for any claim hereunder will be limited solely to repair, replacement or credit, at RUSSELLOY IRON FOUNDRY'S option with respect to articles returned to seller at buyer's expense within 90 days after buyers receipt of the article RUSSELLOY IRON FOUNDRY WILL NOT BE LIABLE, UNDER ANY CIRCUMSTANCES, FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES, FROM THE ARTICLES BEING INCOPRORATED IN OR BECOMING A COMPONENT OF ANY OTHER ARTICLE.
28. This is a commercial sales transaction. The parties want the sale to be governed by Article 2 of the Uniform Commercial Code and related commercial legal principles. NEITHER PARTY WILL HAVE ANY NEGLIGENCE OR OTHER TORT LIABILITY TO THE OTHER, OR TO ANY THIRD PARTY, ARISING FROM ANY BREACH OF THE AGREEMENT.