

MANUFACTURER'S BRASS AND ALUMINUM FOUNDRY, INC. TERMS AND CONDITIONS OF SALE (MBAF is a division of G & W Electric Company)

I. Orders

Shipping quantities may be up to 10% over or under quantity ordered, unless otherwise agreed upon.

II. Prices

- (a) MBAF reserves the right to amend prices if the quotation and/or order are not accompanied by full and accurate information.
- (b) Change in design, weight or quantity may affect pricing.
- (c) Pricing may change if quoted price is not accepted within thirty (30) days of quote date.
- (d) The actual price may vary based on the actual weight of the casting and fluctuation in the metal market.
- (e) Pricing is based on pattern equipment suitable to our foundry practices and is subject to revision upon receipt and inspection of the pattern equipment.
- (f) When customer's delivery requirements necessitate intermittent production of castings, the quantity price applying to each of the different requirements will apply.
- (g) Labor and manufacturing costs are reviewed on an annual basis, and prices may be adjusted accordingly.

III. Terms

- (a) Prices quoted are net. Terms are C.O.D. unless approved for account. Accounts are due no later than thirty (30) days after date of invoice. When shipments are spread over a period of time, each shipment will be invoiced and due accordingly.
- (b) Should the buyer cancel, reduce the quantity or change the design and MBAF has begun production in accordance with the purchase order, completed product will be delivered and invoiced and shall be paid for by the buyer.
- (c) If production has not begun in accordance with the purchase order, a cancellation charge of Twenty-five Dollars (\$25.00) per line item will be invoiced and due immediately.

IV. Patterns

- (a) When the buyer supplies patterns, quotation by the seller assumes that the patterns are in good condition, true to drawings, and suitable for production.
- (b) Replacement, repair, and alteration to pattern due to normal wear and tear are the financial responsibility of the buyer.
- (c) MBAF reserves the right to return safely to the customer pattern equipment that has not been used in three (3) years.
- (d) The foundry shall not be responsible for the loss of or damage to pattern equipment when caused by fire or other causes beyond its control. It shall be the customer's responsibility to provide such fire and other insurance as they desire.
- (e) Pattern equipment will not be released to the customer until the account for that pattern and all castings made from it has been paid in full.

V. Transportation

Normal delivery terms are F.O.B. our Blue Island plant, freight collect.

VI. Production And Lead Time

Time of delivery is estimated as accurately as possible, but is subject to delays or breakdowns beyond the control of the seller. The period specified for delivery on the seller's quotation:

- (a) is independent of any time required for making, altering, or adapting the pattern equipment?
- (b) shall commence only after the receipt of a written purchase order with complete instruction. If the purchase order is given verbally, a purchase order number must be given by the buyer
- (c) shall commence only after the receipt of written approval of samples, if samples are requested.

VII. Defects

- (a) The invoice value of any castings made by the seller and proved to be defective in workmanship or materials will be credited to the buyer, provided that the castings be returned to the seller within one year from date of dispatch. Any such agreed defective castings will be replaced or made serviceable for the original purpose and re-invoiced at the price credited.
- (b) Immediately after discovery of any such defects, the buyer shall notify the seller in writing and give the seller a reasonable opportunity to take prompt measures to prevent a repetition of the defect.
- (c) Any discrepancy between quantity declared on Shipping Memo and quantity received must be reported within 2 working days from receipt of shipment.
- (d) Defective castings will not form the subject of any claim for labor, machining costs, or other expenditures arising from such defects.
- (e) Expenditure by the buyer on salvaging defective castings shall be a matter of agreement between the buyer and seller. In the absence of such agreement, it shall not be chargeable to the seller.
- (f) The foundry shall not be liable for any specific, indirect or consequential damage whatsoever in connection with the castings it furnishes, and, furthermore, the foundry does not design customer's castings nor determine their usage and the requirements to which they are placed.
- (g) The customer shall save the foundry harmless for any loss or damage arising out of the manufacture by the foundry for the customer of any patented device, parts thereof, or on account of the use of such articles by the customer, the patents for which the foundry does not own or control.

VIII. Packing

Unless otherwise stated, special packing materials will be charged extra, but will be credited in full if returned to the seller in good condition.