

## GENERAL TERMS AND CONDITIONS OF SALE FOR KASE INDUSTRIES, INC.

All published prices are based upon sale of material as merchandise. Additional charges may be made to cover the cost of unusual services if requested by the customer, such as special packaging, engineering, overtime work, financing or other special costs. These services will be billed at cost plus 10% to cover overhead.

MINIMUM CHARGE on any invoice will be \$25.00 net in addition to any freight or handling charges that may apply.

PRICES AND ACCEPTANCE: All quotations are for immediate acceptance and are valid only for thirty (30) days from date of quotation, unless otherwise specifically stated in writing. It is agreed that on purchaser's request, material shipped later than ninety (90) days from acceptance of an order or contract, in the event of a price increase, customer will be notified and will be billed at prices in effect on the date of shipment. Sale of goods is not considered completed until the order is accepted at the Home Office, Whitney, Texas, USA.

LIMITED WARRANTY: Company shall not be liable for damages or delays caused by defective material or workmanship and it is agreed that the liability of the Company under all guarantees, either express or implied, is specifically limited to the replacement, free of charge, F.O.B. its factory, Whitney, Texas of parts failing through defective workmanship of material within one year after delivery thereof to the original purchaser and in the manner aforesaid, Company will make no allowances for repairs or alterations unless Company in writing specifically authorizes any such repair or alteration. This guarantee shall not apply to any equipment which has been subjected to misuse, neglect, or accident, or has been altered or tampered with, or if corrective work has been done thereon without our specific written consent. No allowances will be made for such corrective work done without such consent. Improper lubrication, deterioration by chemical action, and wear caused by the presence of abrasive materials, do not constitute defects. Equipment manufactured by others, and included in our proposal, is not warranted in any way by us but carries only the manufacturers' warranty, if any. Seller will undertake to obtain for Buyer the full benefits of the Manufacturers' Warranties. All warranty claims must be submitted within ten (10) days of discovery of defects or shall be deemed waived. No representative of our company has any authority to waive, alter, vary or add to the terms hereof without prior approval in writing.

**KASE DISCLAIMS ALL WARRANTIES, EXCEPT FOR KASE'S EXPRESS LIMITED WARRANTIES.**

LIABILITY: It is expressly understood that our liability for our products is limited to the furnishing of such replacement parts, and that we will not be liable for any other expense, injury, loss or damage, whether direct or consequential, including but not limited to loss of profits, production, increased cost of operation, or spoilage or material, arising in connection with the sale or use of or inability to use, our equipment or products for any purpose, except as herein provided.

CONTRACTS: All prices are made F.O.B. cars, Whitney, Texas unless otherwise indicated. Our responsibility ceases when delivery is made to transportation company if there are evidences of shortage or damage, insist that the transportation agent makes notations of shipping documents before signing receipt. Any damage or shortage claims should be made immediately with the transportation company.

PROMISE OF DELIVERY: Represents only our best estimate of the time necessary to complete the work. Failure to deliver within the time estimated will not render us liable for damages, or warrant cancellation of the order unless terms adequately indemnify us against loss.

FAILURE TO DELIVER: Seller shall not be liable for damages arising from failure to make delivery caused by fire, flood, strikes, riots, labor disturbances, failure or delay of carriers, interference by civil or military authority, inability to obtain essential supplies, parts or materials, acts of God or any circumstances or accident beyond Seller's control.

RETURNED GOODS: Will not be permitted unless Company authorizes such return in writing.

RESERVATION OF TITLE: It is expressly stipulated and agreed that the title and ownership of said property shall remain vested in Seller, notwithstanding delivery or possession, until the entire price is paid by cash in full.

SALES TAX: Any Federal, State or City sales tax will be added to the invoice.

FREIGHT ALLOWANCE: All terms are sold F.O.B. factory, but freight will be allowed or prepaid to freight terminal nearest destination on items which are specified as "Freight Allowed" in the proposal. This freight allowance covers only shipments to destinations in the Continental United States, excluding Alaska and Hawaii. If shipping instructions are not given, we will decide how to ship and pack.

TERMS OF PAYMENT: Cash in advance or terms as specified on order only with approved credit.

SAFETY DEVICES: We will supply only such safety devices as are specified in this proposal. Any additional safety measures or devices which may be required by law, or which you may wish to add are to be furnished by you, or, at your written request, they will be furnished by us at an additional cost to you.

**DISCLAIMER: SELLER HEREBY WARRANTS THAT ITS EQUIPMENT MEETS THOSE REGULATIONS OF GENERAL APPLICATION SUCH AS STANDARDS RELATING TO HANDRAILS, BELT GUARDS, ELECTRICAL WIRING AND THE LIKE; AND THAT THE SELLER WILL CORRECT ANY DEVIATION IN THOSE ITEMS IN ACCORDANCE WITH THE SELLER'S WARRANTY IN WHICH THE EQUIPMENT IS SOLD. HOWEVER, WE MUST POINT OUT THAT THE PURPOSE OF THIS FEDERAL LEGISLATION IS TO INSURE THAT EMPLOYERS PROVIDE A SAFE WORKING ENVIRONMENT FOR THEIR EMPLOYEES. THUS THE BURDEN OF COMPLIANCE IS ON THE EMPLOYER-PURCHASER RATHER THAN THE SUPPLIER OF EQUIPMENT BECAUSE THE CONDITIONS UNDER WHICH WORK WILL BE PERFORMED CAN VARY. WHILE SELLER MAKES EVERY EFFORT TO COMPLY WITH REGULATIONS OF SPECIFIC APPLICATION TO EQUIPMENT OF ITS MANUFACTURE, WE DO NOT ALWAYS KNOW EVERY PARTICULAR USE TO WHICH THE EQUIPMENT WILL BE PUT, THE ENVIRONMENT IN WHICH IT MAY BE USED NOR WE DO KNOW WHETHER THE EQUIPMENT WILL ALWAYS BE PROPERLY MAINTAINED AND/OR OPERATED WITHIN ITS DESIGN CAPACITIES. FOR THIS REASON, SELLER CANNOT GIVE THE PURCHASER-EMPLOYER BLANKET ASSURANCE THAT EQUIPMENT YOU PURCHASE FROM SELLER WILL IN USE ALWAYS COMPLY IN ALL RESPECTS WITH OSHA AND/OR OTHER FEDERAL, STATE AND LOCAL LAWS AND ALL REGULATIONS OR OTHER STANDARDS. SELLER DISCLAIMS ALL WARRANTIES, EXCEPT FOR KASE'S EXPRESS LIMITED WARRANTIES.**

PAINTING: As a protective measure, we will apply before shipment one coat of our standard shop paint to all outside accessible unfinished surfaces. Any special cleaning or finish will be an extra cost.