

Pump Engineering Company

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Terms and conditions.

The following Terms and Conditions are applicable to quotations, orders, returned goods, claims, warrantees, and liabilities --

- 1. QUOTATIONS: Unless otherwise stated, all quotations are valid for 30 days from their date and prices include the Company's standard packing for domestic shipment, where required. An extra charge will be made for special packing or handling.
- 2. <u>ACCEPTANCE OF ORDERS:</u> All orders are subject to acceptance by an Officer of the Company. Orders and deliveries are subject to the Company's regular credit policy. The Company reserves the right to refuse an order based on a quotation containing a gross error.
- 3. SALES TAX: Applicable excise, sales, use, occupation, or other taxes levied upon sales or rental transactions will be added to our invoices.
- 4. <u>TERMS & MINIMUM BILLING:</u> Terms are "NET 30 DAYS" upon approval of credit. Interest payments of 1 ½% per month will be charged on "PAST DUE" accounts, plus attorney's fees for collection, if necessary. Minimum billing charge is \$50.00.
- 5. <u>DELAYS:</u> We are not liable for delays or defaults occasioned by strikes; differences with workers; fires; accidents; delays or defaults occasioned by the exercise of governmental authority in obtaining materials or transportation; negligence of carriers; or by any cause unavoidable or beyond our controls.

PRICE POLICY

- (a) Orders entered for shipment as soon as possible or per quotation, will be invoiced at price in effect at time of order acceptance or pricing schedule as determined by our proposal.
- (b) Shipments delayed by purchaser will be invoiced, at price in effect at time of shipment.
- 7. <u>CANCELLATION OR CHANGES:</u> In the event of a request to stop work or to cancel any part of an order that has been entered, and upon which work has been done, purchaser agrees to pay the Company at its usual rates for all labor and costs incurred and materials purchased by the Company for that order, less the salvage value to the Company of the completed or partially completed goods. Similarly, purchaser agrees to reimburse the Company for extra costs due to any changes made by purchaser.
- 8. <u>RETURNED GOODS:</u> No goods are to be returned for credit without our written approval in advance. Returned goods must be current production products in new, unused, saleable condition, and are subject to a restocking charge and all freight costs (typically electronic components are non-returnable).
- 9. <u>CLAIMS</u>: Claims must be made immediately following receipt of goods. <u>We are not responsible for breakage, damage, or shortage after goods are delivered to the transportation company. Such claims must be made directly to the transportation company by consignee. Before accepting goods, have the transportation company acknowledge on the freight bill any shortage or damage.</u>
- 10. MECHANICS LIENS: Pump Engineering Company reserves the right to request from its customer, directly or through its representatives, all required information needed to file a preliminary notice in order to perfect a lien at a future time if deemed necessary. Shipment of any material will be held back until this information, if requested, is received by Pump Engineering Company. The request to obtain this information will be determined, at Pump Engineering Company's sole discretion, based on the value of the project and the customer's financial strength and payment history.
- 11. <u>STANDARD CONDITIONS OF SALE:</u> A provision for on-site nuclear property damage as follows:
 - (a) Distributors will not be liable to owner-licensees or their insurers for nuclear damage to any property located at the site of the installation of the owner-licensee.
 - (b) The owner-licensee will indemnify distributor and its suppliers against any and all liability for nuclear damage to the extent that such liability arises because of a recovery by the owner-licensee from a third party for any such nuclear damage.

12. WARRANTEES:

- (a) Warrantees will be in accordance with that of applicable manufacturer of product in question, <u>no other warrantees are expressed or implied</u>. (Copies of warrantees available upon request.)
- (b) Warrantees do not apply to damage caused by normal wear and tear, corrosion or errosion, and typically exclude mechanical seal failure occuring after intial successful start-up of equipment.
- (c) All equipment repaired by Pump Engineering Company (unless otherwise stated) is guaranteed to be free of defects in material and workmanship for a period of 90 days after shipment. Our responsibility is limited to replacement or repair of defective part and/or correction of workmanship (F.O.B. our shop).
- (d) In order to protect applicable warranty, equipment shall not be operated beyond established limitations and must be installed, operated and maintained in accordance with manufacurer's Installation and Operation Manual (copies available upon request).
- (e) Pump Engineering Company shall not in any event be held liable or responsible for loss of production due to furnished equipment failure, lack of suitability, or for any and all costs associated with installation or removal of products supplied.
- (f) Pump Engineering Company shall not in any event be held liable for special, indirect, incidental or consequential damages.