



TERMS AND CONDITIONS

1. **TERMS AND PRICING:** ½% 10, NET 30. Standard terms of sale for tooling cost is 50% of tooling costs with purchase order, balance of tooling costs with sample approval. Seller's F.O.B. Factory, Uniontown, Ohio. Interest, at the rate of 18% per annum, shall be charged on all past-due accounts. All pricing is quoted in United States dollars. Unless specifically stated on the face of the quote, cost of providing a "Fixed Process Verification Program" is not included in quoted pricing.
2. **PRICE CHANGES:** This quotation is necessarily based on an estimated weight and all prices are subject to revision to reflect any substantial difference between such estimated weight and actual weight. Any change in designs affecting either weight or tool construction will proportionately change the quoted price. All quotes are subject to the review of complete, legible drawings as supplied with purchase order. All quotations and accepted orders are subject to price increases for any tax or levy imposed by any governmental authority.
3. **SHIPMENT:** In the absence of shipping instructions, Seller will use its discretion and choice of carrier. Seller assumes no responsibility for insuring shipments unless specifically requested by Buyer, and if so requested, Seller will insure shipments only at Buyer's expense. Seller assumes no responsibility for damage in transit. Customer is responsible for the entire quantity billed unless shortages are reported to Kovatch Castings within three (3) business days of receipt of the parts. It is not possible to produce exact quantities of materials; accordingly, in the absence of specific shipping tolerance provided on customer orders, Kovatch assumes a +/- 10% allowance on total purchase order quantity.
4. **TOLERANCES:** Kovatch Castings, Inc. supplies all raw castings subject to variation in the investment casting process and consistent with industry tolerance standards: Dimensions up to 1" are held to +/- .010", then +/- .005" for each additional inch. Parallelism, TIR, concentricity and other geometrical requirements are subject to the same dimensional standards. Unless otherwise noted, these tolerances apply. Stock may be added to the casting to improve castability and/or for machining. We request that maximum fillet radii be allowed to improve the castability and performance of the casting. Castings will be supplied to RMS 125 surface finish or better.
5. **CUSTOMER DRAWINGS:** This quote is subject to review of final drawings by Kovatch Castings, Inc. Engineering and Quality Departments to insure that all Customer drawing specifications are consistent with this quotation. Inadvertent omission of exceptions to drawing specifications, including, but not limited to, dimensional characteristics do not constitute acceptance of the omissions. In the absence of specific call out on customer's drawing, the quotation assumes Buyer agrees to allow Seller to perform cosmetic weld of castings in accordance with AWS D17.1 / AMS 2694. If Buyer purchase order specifically states that weld is not allowed, seller reserves the right to amend price or refuse order. Material specification references to "weld with permission only" do not apply unless there is a specific "no weld" reference on either blueprint or purchase order.
6. **LIMITED WARRANTY:** SELLER WARRANTS ONLY THAT THE CASTING WILL CONFORM TO THE DRAWINGS AND TOLERANCES SPECIFIED, AND THAT TITLE WILL BE GOOD AND MARKETABLE AND FREE AND CLEAR OF ALL LIENS AND ENCUMBRANCES. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTY AS TO FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY. The remedy for breach of warranty herein shall be limited to the purchase price, repair or full replacement at Seller's option. BUYER MUST INITIATE ANY LAWSUIT DIRECTLY OR INDIRECTLY RELATING TO THE QUOTED CASTINGS NO LATER THAN ONE YEAR FROM DATE OF SHIPMENT. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES.
7. **PATENTS:** With respect to merchandise manufactured in whole or in part to Buyer's designs and/or specifications, Buyer will defend, protect, and save harmless Seller, against all actions or suits at law or in equity and from all damages, claims, demands or actions for alleged infringements of United States or foreign patents, and for actual or alleged failure of such merchandise to conform to any and all applicable product safety standards acts.
8. **ACCEPTANCE:** All quotations, unless otherwise stated, are valid for 90 days. All quotations are made and all orders are accepted subject to the approval of our credit department. Clerical errors are subject to correction. No order is subject to cancellation without our consent and Kovatch will be reimbursed for all reasonable costs, including overhead expense, plus a reasonable profit.
9. **INHERITED TOOLING POLICY:** Kovatch Castings, Inc. will accept Customer supplied tooling for production of castings under the following conditions: Castings will be the product of the furnished tooling; any dimensional discrepancies will be corrected at the Customer's expense. A re-quote of the casting price may be required after a review of the supplied tooling, its condition, operation, gating scheme, and suitability to our injection equipment. Castings often require post cast operations for which additional equipment is required. The lack of this equipment may affect productivity and necessitate a re-quote to reflect its absence.
10. **EQUIPMENT:** Charges for fixtures, gages, jigs, and special tools include only a portion of material and labor costs and do not include a charge for engineering and other costs incurred by Seller. Consequently, all equipment, including but not limited to plans, jigs, fixtures, and gauges, supplied by Seller to be used in the manufacture of castings in support of Buyer's needs shall remain Seller's property unless specifically stated otherwise. We will store and maintain them in serviceable condition for your use without any charge to you as long as the product remains active. If the tool becomes obsolete, or is inactive for a five (5) year period, Kovatch reserves the right to return, dispose of or charge storage fees at our discretion. We shall not be liable for loss or damage to them from any cause and require that you arrange for such fire and other insurance protection, as you may consider advisable.
11. **CONDITIONS:** ANY ORDER PLACED IN RESPONSE TO THIS QUOTATION SHALL BE DEEMED TO BE AN ACCEPTANCE BY BUYER OF THESE TERMS AND CONDITIONS AND THE SOLE AND COMPLETE AGREEMENT BETWEEN THE PARTIES. If seller acknowledges a purchase order it is only as a convenience to Buyer and shall not subject Seller to any additional or different terms or conditions. Seller expressly disclaims any prior course of dealing or trade custom as an alteration or addition to its terms and conditions.