

## A WATTS Brand

1. GENERAL A. Written quotations are firm for a period of thirty days after date unless cancelled by the seller in writing prior to acceptance by the purchaser. Verbal quotations are subject to acceptance within 24 hours unless within that period they are confirmed in writing by the seller. Stenographic and clerical errors are subject to correction.

B. All orders resulting from written or verbal quotations or from published price lists or literature are subject to written acceptance by an authorized individual at our office in St. Pauls, N.C.

C. Quotations are made and orders will be accepted on a firm price basis, provided the orders are released and scheduled for shipment within a period of 5 months after the date of the order. Orders released for shipment longer than 5 months from the inception date are subject to the prices in effect on the date of shipment.

D. Contracts or orders having penalty clauses for failure to meet shipment are not acceptable unless specifically approved in writing by an authorized individual at our office in St. Pauls, N.C.

E. Delivery promises are based on conditions at the time of quoting and are subject to change for causes beyond the seller's control. Under no circumstance will the seller be liable for consequential damages due to failure to fulfill a delivery promise.

F. All quotations are subject to an increase equal in amount of tax that the seller may be required to collect or pay upon the sale of the material quoted.

G. We reserve the right to alter dimensions without notice. Send for certified drawings.

H. Non-standard, special, and fabricated orders cannot be cancelled after acceptance by seller unless agreed upon in writing by the seller and the buyer shall be liable for up to the full purchase price in any stage of completion.

I. The buyer shall be responsible to provide the seller with all specifications, drawings, and other data pertinent to use and acceptance of the product(s) prior to acceptance of the order by the seller. Acceptance of any changes as offered by the seller or as requested by the buyer must be in writing by the buyer before work can begin. The seller will not be responsible for any incidental or consequential damages resulting from compliant or non compliant product.

- 2. WARRANTY Seller warrants each of the products and parts sold hereunder, under normal use and service, and subject to user's compliance with any operation instructions and other directions given by seller, to be free from defects in materials or workmanship for a period of one year from date of shipment from the seller's plant. Seller's liability under this warranty shall be limited, at seller's option, to repairing or replacing any such defective products F.O.B. seller's plant, St. Pauls, North Carolina, and reimbursing purchaser's shipping costs, subject to the following: (1) timely receipt of purchaser's written notice that such products are defective, (2) seller's written authorization to purchaser for the return of such products, (3) the return of such products to seller with shipping charges prepaid and (4) seller's inspection of and confirmation that such products are defective in materials or workmanship. If seller's inspection shows that the products returned are defective due to dirt, rust, or any foreign material not attributable to seller, improper usage, over tightening on thread, abuse or incorrect reassembly in the field or other cause not due to seller's improper manufacture, seller will, subject to purchaser's written authorization, repair or replace such products at cost. Seller's factory inspection and testing reports will be made available to purchaser upon request. THIS WARRANTY IS IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF FITNESS OR MERCHANTABILITY. SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES. NO REPRESENTATIVE OR SELLER HAS AUTHORITY TO MAKE ANY REPRESENTATIONS OR WARRANTIES EXCEPT AS STATED HEREIN.
  - 3. PATENTS A. On parts or assemblies supplied by the seller which are made under its own patents, the seller will hold harmless the purchaser from any patent infringement suit or suits, Provided the seller is notified in writing within 10 days after any such claim is made and defense of any suit instituted against the purchaser therefor.

B. In case the part assembly is in such suit to constitute infringement and its use by the purchaser in the manner intended by the seller is enjoined the seller will at his expense and at his option, either (1) procure for the purchaser the right to continue use, or (2) replace with non-infringing parts or assemblies or (3) make modifications to avoid infringing or (4) remove said part or assembly and refund the purchase price, transportation, and installation costs thereof. The foregoing states the seller's entire liability to the purchaser with respect to patent infringement by said part or assembly.

4. CANCELLATION Any order or part thereof may be canceled by the purchaser upon written notice to the seller prior to 30 days before completion. Upon receipt of a cancellation notice, all work on the order or part thereof being cancelled will be stopped as promptly as reasonably possible and the purchaser will be liable for a cancellation charge computed on the basis of established prices for all completed items and for the full cost incurred by the seller up to the time of work stoppage plus 15% on incomplete items, plus a charge for packing and storing but less credit similarly computed for all standard items that can be used at that time to fill other orders and for the balance of the material as scrap.

## **5. FREIGHT ALLOWANCE** All shipments are F.O.B Factory.

- 6. PACKAGING All material will be packed for domestic shipment without additional charge. Export shipments will be subject to additional charge for special overseas packaging. Additional charge may be imposed if required to package in accordance with government or military specifications or standards or for long time storage.
- 7. SPECIAL PRODUCTS Orders for special or modified products are non-cancelable. In the event that the customer cancels an order for such products, Watts shall charge the customer an amount equal to Watts' costs and expenses incurred in performing the purchase order prior to receipt of notice of cancellation.
  - 8. TERMS Net 30 days from date of invoice unless otherwise agreed upon by both the seller and purchaser. Past due accounts are subject to 1% service charge per month (18% per annum).
  - 9. EXPORT ORDERS Special credit terms or conditions may be supplied to orders from customers located outside of the Continental United States. Please consult an authorized individual at our office in St. Pauls, N.C.
    - 10. TITLE Delivery of material to the carrier, consigned to the purchaser or as the purchaser may direct, will constitute transfer of title, ownership, possession and property in and to the material at such point of delivery, and such carrier will thereafter be deemed to be acting for the purchaser and the material will thereafter be at the purchaser's risk.
    - 11. RETURNS All claims must be made in writing within 10 days after receipt of goods. No materials may be returned to the factory without written permission being given by an authorized individual at our office in St. Pauls, N.C. A copy of the seller's authorization for return must be attached to the returned material.
- **12. MINIMUM BILLING** Minimum billing for complete unit will be \$100.00 net.