

# Pace Manufacturing Inc

## Standard Terms and Conditions of sale

### PRICING

Prices are based on the applicable quotation and subject to change without notice. Quoted prices exclude any or all applicable taxes. Clerical errors will be a basis for cancellation of prices, terms, etc. upon notification to the customer.

All purchase orders are subject to approval and acceptance by Pace Manufacturing Inc. ("Pace").

### DELIVERY

Material is shipped F.O.B. Pace, best way at our discretion unless otherwise stated. Pace shall be excused and not liable for loss or consequential damages due to delays caused by accident, material shortages, strike, fire or other causes beyond our control

Shortage and damage claims shall be filed with Pace within thirty days of the date of shipment. The measure of damages shall not exceed the purchase price of the material delivered.

### TERMS OF PAYMENT

Upon credit approval, invoices are due and payable within standard terms of 1% 10 days net 30 days from invoice date. Interest of 1.5% per month will be charged on overdue accounts. Discrepancies on the invoice must be reported to Pace in writing within 15 days of the invoice date.

### STOCK RETURNS

Permission to return unused, standard stock items must be requested from Pace's Customer Service department. Products containing o'rings or custom built to customer' specifications are not considered for stock returns. Parts must be properly identified, free from damage, contamination or corrosion, contained in the original packaging and purchased from Pace less than 180 days prior to the return date. Return shipments must be accompanied by the return goods authorization ("RGA") and sent to Pace *prepaid*. Credit in the amount of the original invoice value minus a 20% restocking charge will be issued after the items have been restocked.

### WARRANTY

Pace products are warranted against defects in workmanship and material for a one-year period from receipt of the product unless a separate manufacturers' warranty applies. Defective material will be replaced, repaired or credited at the discretion of Pace. Liability is limited to the invoice value of the defective item(s). Pace products shall carry no other warranty, either expressed or implied.

Improper storage or use, design flaws, operation beyond rated capacity, substitution of parts or any other alterations, shall void this warranty. Pace shall carry no warranty for engineering or design assistance or recommendations. Responsibility for the customers' design lies solely with the customer.

When Pace's product is suspected to be defective or non-conforming to quoted specifications, the customer is to inform Pace's Quality Assurance department and request written authorization for return or rework. Rework by the customer, *without* written *authorization* shall void all warranties and credit claims.

Packaging of returns must prevent damage, contamination and corrosion. Return shipments must be sent to Pace pre-paid, per our instructions. Credit will be issued after verification of the reported defect.

### MISCELLANEOUS

The goods will be produced in compliance with requirements of the Fair Labor Standards Act of 1938, as amended and in compliance with regulations and orders of the U.S. Department of Labor issued thereunder.

Seller does not agree to any terms and conditions except those set forth herein and in its current price schedule and in its quotations, if any. Shipments of any merchandise by Seller will be on said terms and conditions and no modification shall be effected by the acknowledgment or acceptance of any purchase order forms containing different terms and conditions from those set forth herein.