LEITELT BROS. 7721 SOUTH CHICAGO AVE. CHICAGO, IL 60619 PH. (773) 721-1186

CONDITIONS OF SALE

1. ORDERS

Any order based on this tender is subject to the following conditions. This tender is open for acceptance (unless previously withdrawn) for not more than 15 days from the date thereof unless otherwise stated. It is subject to confirmation on receipt of order.

2. PRICES

- (a) Unless the order is accompanied by sufficient information, drawings, and patterns to enable work to proceed forthwith, the seller is at liberty to amend prices quoted herein to cover any increase in costs during the period of delay caused by the lack of such detail
- (b) Any alterations by the buyer in design, weight, quantities, or specification and any suspension of work due to instructions or lack of instructions will involve adjustment of the agreed or quoted prices, if the costs are affected thereby.
- (c) Prices quoted for un-machined castings unless otherwise stated.

3. TERMS

- (a) Prices quoted are net. Accounts are due for payment no later than 30 days from date of invoice. When deliveries are spread over a period, each consignment shall be invoiced when dispatched and each month's invoices shall be treated as a separate account and payable accordingly. Terms may be altered at the discretion of seller at anytime.
- (b) Finance charge 1 ½% per month fee will be charged to past due invoices.
- (c) Should the buyer cancel, suspend, or reduce a quantity requirement, including cancellation suspension, or reduction of "firm" schedules, then any work already in progress will be delivered and invoiced in accordance with the earlier instruction of the buyer and shall be paid for by the buyer.
- (d) If and so far as work upon castings has been necessarily commenced in advance of "firm schedules" in order to provide, in accordance with a normal process time cycle, for the deliveries indicated by a "tentative schedule," the buyer shall be liable to accept delivery of those castings at the times and in quantities so indicated and to pay therefor.

4. PATTERNS

- (a) Where the buyer supplies patterns the quotations of the seller assume that such patterns are in good condition, true to drawings, and entirely suitable for the seller's methods of production and for the production of the castings in the quantities required.
- (b) For mutual benefit, when new patterns or equipment are to be made, the seller requires to be consulted.
- (c) Replacement of and alterations or repairs to buyers' patterns, or equipment due to normal wear and tear shall be paid for by the buyer.
- (d) Where patterns are not supplied by the buyer, only such patterns as are specially made and separately charged in full shall become the property of the buyer when paid for. Return of patterns to buyer is subject to charge.
- (e) The seller takes all reasonable care to protect buyers' patterns while they are on the seller's premises but does not accept liability for any loss, damage, or expense arising from any cause whatsoever which does not directly and solely result from a failure by the seller to exercise such reasonable skill and care.
- (f) The buyer shall be responsible for the custody of his patterns from which no castings have been ordered for a period of three years.

5. TRANSPORTATION

Unless otherwise specified, prices are quoted F.O.B. seller's plant.

6. **DELIVERY**

Time for delivery is estimated as accurately as possible, but is subject to any delays or breakdowns beyond the control of the seller and is not guaranteed. The period specified for delivery on the seller's quotation:

- (a) Is exclusive of any period occupied in making, altering, or adapting patterns or in any experimental work connected with castings.
- (b) Shall commence only after the receipt of written instructions to proceed together with all necessary information, drawings, and (if to be supplied by the buyer) patterns or equipment.
- (c) Shall (if a sample casting is to be submitted for buyer's approval) commence only from the date of receipt of written approval.
- (d) Owing to the difficulty of producing exact quantities of castings the seller reserves the right to deliver up to 10%, in excess of the quantities ordered unless special agreement has been made to the contrary.

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7. DAMAGE, SHORTAGE, OR LOSS

The seller does not accept responsibility for any damage, shortage, or loss in transit unless:

- (a) Damage or shortage is notified in writing both to seller and to the carriers within three days of receipt of goods and the goods have been signed for as "not examined "and have been handled by the buyer in accordance with carriers' conditions, or
- (b) Non delivery (in the case of total loss) is notified both to the seller and to the carriers' permitted period.

8. SAMPLES

Samples submitted will be payable by the buyer unless return to the seller's works, carriage paid, within one month from the date of dispatch. In all instances where the seller is working from a new pattern, an altered pattern, or a pattern fresh to the seller's foundry, the seller may submit sample castings for approval before executing the bulk of the order, which will only be commenced on receipt of such approval in writing. Where small quantities only are required submission of samples will be made only if such is requested by the buyer at the time of placing the order.

9. TESTS

Unless otherwise stated, the cost of supplying, machining, or testing all test pieces required by the buyer will be charged extra. When figures or particulars relating to physical or chemical properties are indicated, they are to be regarded as a general guide only, and constitute no guarantee from seller unless specified margins have been agreed at the time of placing order. While every effort is made to provide sound casting no express or implied warranty is given by the seller as the fitness or suitability of casting for any particular purpose whether such purpose is known to the seller or not.

10. DEFECTS

- (a) The invoice value of any castings made by the seller and proved to be defective in workmanship or materials will be credited to the buyer, provided that the castings are returned to the seller within 1 month from date of dispatch. Any such agreed defective casting will be replaced (and re-invoiced) at the price credited or made serviceable for their original purpose free of charge.
- (b) The buyer shall make every effort to ascertain any possible defects as soon as possible after delivery of the castings, including any necessary tests or inspection during or after machining. Immediately after discovery of any such defects or alleged defects, the buyer shall notify the seller in writing and give the seller a reasonable opportunity to take prompt measures to prevent a repetition of the defect
- (c) Defective casting will not form the subject of any claim for labor, machining costs, or other expenditure thereon or for resultant loss or damage arising out of any such defect.
- (d) Expenditure by the buyer on the salvaging of defective castings may be a matter for agreement between buyer and seller, but in the absence of such agreement it shall not be chargeable to the seller and any such salvaging operation shall not be proceeded within any matter liable to prejudice the opportunity of the seller to take the earliest possible steps to avoid a repetition of the defect in any further castings he may be making.
- (e) No claim for free replacement or otherwise will be accepted in respect of any castings found to be defective through faults in the design or construction of patterns supplied by the buyer.

11. PACKING

Unless otherwise specified, packing case and packing materials will be charged extra, but will be credited in full on return to the seller's works and in good condition within one month of receipt by the buyer.

12. EXPORT

Contracts for export will be subject to separate Condition of Sale.

13. INFRINGEMENTS

The buyer shall indemnify the seller against all damage, penalties, costs, and expenses arising out of and loss suffered as a result of the infringement of any Patent Registered Design, Trade Mark, Trade Name, or copyright or any claim for such infringement or any claim to passing off involved in or arising out of work carried out in accordance with the buyer's specification.