

## Terms And Conditions Of Sale

These Terms and Conditions govern all purchases from Specified Fittings, Inc. (SFI)

- 1) Shipping and Delivery. All materials shipped FOB our plant in Bellingham, Washington or a regional distribution warehouse, unless otherwise specified herein. On PVC and CPVC orders, freight will be paid on \$1,500.00 net orders. PIPE AND SWEEPS DO NOT APPLY. HDPE orders are FOB Factory of origin. On drain basins and in-line drains, freight will be paid on orders over \$2,500.00, with the exception of basin/drains over 30" diameter and 96" over all length. These are FOB factory. These freight terms exclude all pipe and are for shipments to one location within the contiguous forty-eight (48) states. All claims for lost and/or damaged merchandise shall be made by the Buyer to the delivery carrier.
- 2) Specifically Manufactured Goods. All fabricated fittings or special order items may not be canceled or returned.
- 3) Inspection and Returns. Buyer will inspect all material at time of delivery and note on the Bill Of Lading any apparent defects. Buyer waives all rights to reject nonconforming goods with visible defects if they fail to note the rejected goods on the Bill Of Lading. Goods will not be accepted for return without a returned goods authorization (RGA) issued by SFI. A restocking fee and inbound freight charges will be assessed on all material returned to SFI. Where appropriate, outbound freight costs will also be assessed. Goods must be returned in clean condition and SFI count of returned material shall be deemed final. Special fittings and unreasonably large quantities are not returnable.
- 4) Payment and Taxes. All orders shall be prepaid, or at SFI's option, SFI will mail invoices to Buyer. Invoice amounts are due and payable by the 10<sup>th</sup> day following date of invoice. Any trade discount in effect at any particular time and applicable to the transaction will be revoked if timely payment is not received. Purchases and shipments made after the 25<sup>th</sup> of the month will be considered the following month's purchases. Payments not received by the end of the month following date of invoice are subject to a finance charge commencing at the end of the month in which the invoice is due. Buyer agrees to pay a finance charge of 1 ½% per month (18% annual rate) on all past due invoices. Once Buyer accepts shipment of the goods, they are obligated to make the agreed payments to SFI regardless of when and whether Buyer receives payment from someone else for the goods. Prices for sales of goods shipped outside of Washington do not include any sales or use taxes. SFI conducts business only in Washington State, and does not collect or pay the taxes of any other State.
- 5) Warranties. SFI warrants all new products against defects resulting from faulty workmanship or materials for a period of one year after the date of the original purchase. SFI will repair or replace, at its option, any product established to be so defective, with a product of like type. CLAIMS FOR LABOR COSTS AND OTHER CHARGES RESULTING FROM THE USE OF SFI GOODS AND/OR PRODUCTS ARE NOT COVERED BY THIS LIMITED WARRANTY. This limited warranty is effective only for the benefit of the original Buyer and user provided the following procedure is followed. FAILURE TO ADHERE TO THE REQUIREMENTS OUTLINED BELOW WILL INVALIDATE THE TERMS OF THE LIMITED WARRANTY.
  - a. Within thirty (30) days after noticing the defect, Buyer/User must notify SFI, in writing, at its corporate offices located at 164 West Smith Road, P.O. Box 28157, Bellingham, Washington 98226, of all alleged defects.
  - b. Upon request by SFI, Buyer/User must either return the defective fitting(s) to SFI; freight prepaid, or at the option of SFI, makes the defective fitting(s) available for inspection by SFI, or its designee. If the product is found to be defective because of a manufacturing error, the freight cost will be reimbursed.
  - c. After SFI repairs and/or replaces product, it will ship the product to the Buyer/User, freight prepaid.

SFI DISCLAIMS ALL EXPRESS WARRANTIES OTHER THAN THOSE CONTAINED IN THE ABOVE PARAGRAPH, AND ALL IMPLIED WARRANTIES, INCLUDING BUT NO LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF, SFI SHALL NOT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOST PROFIT, BUSINESS INTERRUPTION LOSSES, LOSS OF GOODWILL, OR LOSS OF BUSINESS OR CUSTOMER RELATIONSHIPS.

Some states do not allow the exclusion of implied warranties or the limitation or exclusion of liability for incidental or consequential damages, so the above exclusion or limitation may not apply to the Buyer. This warranty gives Buyer specific legal rights and Buyer may also have other rights that vary from state to state.

In the event that a dispute arises, the parties agree that independent third party testing of the alleged defective product shall be conducted and all costs in connection with such testing shall be borne by the party proved incorrect in the allegation pursuant to the results of the third party tester.

- 6) Indemnification. Buyer will indemnify SFI against, and save SFI harmless from, any and all claims, suits or liability arising from injuries to property or persons, including death, and from any other claims, suits or liability on account of any negligent or intentional act or omission of Buyer or any of Buyer's officers, agents, employees or servants.
- 7) Litigation. In any case of litigation between the parties concerning this Agreement and Conditions of Sale, including trial and appellate proceedings, venue shall be in the State of Washington, County of Whatcom, and the laws of the State of Washington will apply to any dispute. Reasonable attorney's fees shall be awarded to the prevailing party. These conditions of sale will not in any way be construed to limit or restrict SFI's rights and remedies at law and in equity, all of which rights and remedies SFI fully reserves, unless such limitations are specifically stated. Any failure or forbearance by SFI to enforce any of the conditions of sale of this Contract or any of SFI's rights and remedies at law or in equity shall not constitute a waiver or relinquishment by SFI of any of SFI'S rights and remedies under this Contract.
- 8) Assignment, Amendment, Modification. Neither Party shall assign its rights and duties under this Contract without the other's prior written consent. These Terms and Conditions may only be amended or modified in writing signed by both parties. This Purchase Order and Sales Agreement and these Terms and Conditions, including all writings attached hereto or incorporated by reference, are intended to be final, complete and exclusive statement of the terms of the parties' agreement. Notice is hereby given pursuant to the Uniform Commercial Code as adopted by any State, of SFI's objection to all terms and conditions in addition to and different from the condition of sale contained herein that Buyer may add to this Contract or place in any written conformation or purchase order that Buyer may issue, unless the parties agree to any added or different terms in writing.
- 9) Any of the Conditions of Sale herein that may conflict with the normal operation of any provision of the Uniform Commercial Code will constitute a variation by agreement and have precedence.