



SALES TERMS AND CONDITIONS

- 1. Orders.** Orders are accepted with the understanding that they will be billed at prices in effect at time of shipment.
- 2. Special Products.** Kason reserves the right to ship the Buyer any quantity of specially manufactured products up to 10% more, or less than the exact quantity denoted on Buyer's order. Such minimal discrepancies will be considered as completed performance of the order.
- 3. Delivery.** While it is Kason's goal to meet all customer orders, delivery dates are based on normal expectancy, are approximate, and are subject to any applicable Governmental regulations any may be subject to Force Major events, fire, strikes, accidents to machinery, procurement of materials and other causes which are unavoidable or beyond our control to which the occurrence of shall excuse any delay in delivery or any failure to fill any order.
- 4. Shipping.** If specific shipping Instructions are not shown on Purchase Orders or expressly given to Kason in writing, routing will be at the discretion of the Kason Shipping Department. Kason's responsibility for delivery ceases when shipment is delivered in good order to carrier.
- 5. Goods Lost or Damaged in Transit.** All shipments are made F.O.B. Seller's plant. Kason's responsibility ceases when a clean Bill of Lading is furnished indicating that a Carrier has received the shipment consigned in good order. Kason is willing to assist in every possible manner in collecting claims for loss or damage; however, we are not responsible for collection or replacement of the lost or damaged material. Kason IS NOT RESPONSIBLE FOR RETURNED ITEMS LOST DURING SHIPPING. Buyer is responsible for all risk of loss and damage to products being shipped for return, exchange or replacement. Buyer should insure return shipment against risk of loss or damage.
- 6. Cancellations.** Orders are accepted with the understanding that in the event Buyer finds it necessary to cancel in whole or in part, due to causes beyond its control, Buyer shall give written notice of cancellation to Kason. Following the receipt of notice Kason: (1) shall as soon as practicable cease work and the placing of all orders for materials in connection with the Buyer's order; (2) shall as possible and as soon as practicable cancel all then-existing unfilled orders for materials to be used in connection with Buyer's order; (3) shall transfer to Buyer title to all completed and partially completed material called for under Buyers order and not previously delivered.
- 7. Cancellation of Special Parts.** For customer specific, made to order products that Kason stocks for buyer, the buyer is responsible for up to three months of reasonably anticipated inventory after notice of cancellation, quantity not to exceed the outstanding balance of the quoted quantity for which the original order was based upon.
- 8. In Consideration of Kason Accepting Cancellation of Buyer's Order, Buyer Will Pay to Kason the Following.**
(a) The purchase price for all merchandise completed when Kason ceased work on Buyer's order; (b) All-costs, expenditures and commitments made or incurred by Kason in connection with the uncompleted portion of Buyer's order, including transactional expenses incurred when setting or discharging that portion of its outstanding obligations or commitments which it had made with respect to the uncompleted portion of Buyers order.
- 9. Payment Terms.** Terms of payment are net 30 days in U.S. funds unless agreed upon in writing prior to shipment.

10. **Returns.** A RETURNED GOODS AUTHORIZATION NUMBER (RGA), IS REQUIRED PRIOR TO RETURNING ANY GOODS. NO RETURNED GOODS WILL BE ACCEPTED WITHOUT PERMISSION FROM KASON. (a) An RGA number can be obtained from the Kason Customer Service Department. (b) All returns must have the RGA number posted on the exterior of the carton. (c)The RGA expires 30 days from the date of issue. (d) No item will be accepted for return more than 90 days after invoice date. (e) Freight charges for returned goods must be prepaid. If upon examination, Kason agrees that it is at fault the shipping charges will be credited. (f) Merchandise initially returned as defective, whose defect cannot be verified, will be returned with a freight charge to the buyer.
11. **Returns Due to Customer Error.** All returned goods due to customer error are subject to a 20% restocking charge and must be new and in original packaging, otherwise a credit will not be issued and the product returned to them at their expense.
12. **Claims.** ALL CLAIMS MUST BE MADE WITHIN TEN (10) BUSINESS DAYS AFTER RECEIPT OF MERCHANDISE. KASON WILL NOT ACCEPT CLAIMS MADE BEYOND THE 10 DAY PERIOD. (a) Buyer should thoroughly inspect the shipment as soon as it is received and claims for shortage and/or damaged shipments should be made immediately and directly to the Carrier. (b) If customer receives damaged product, they should refuse the products upon original delivery attempt. (c) If damaged products are accepted from the carrier, such damage should be noted on the carrier delivery record. (d) Possession of a shipment after 30 days constitutes acceptance.
13. **Liability.** For any merchandise, whether defective, not to standards or specifications, or Buyer's order, is limited to the replacement of such merchandise or the issuance of credit, following the subsequent return. In accepting orders Kason does not assume any legal obligations or liability for injury, loss, subsequential or consequential damages resulting from the use, misuse or improper application of its products. Kason will make all reasonable efforts to provide products to the purchaser that are in compliance with known industry standards. Because Kason products are generally used as component parts in a finished assembly built by others the buyer assumes all responsibility to determining the suitability for application of the products of which it is purchasing.
14. **Warranty.** Unless otherwise noted, Kason products are warranted against defects in materials and workmanship for one year from the original date of purchase. Replacement or issuance of credit are the sole remedies for all warranty claims.