

Valley Craft Industries, Inc. Standard Terms and Conditions

Prices are Subject to Change without Notice.

Payment Terms:

For Customers with approved credit, payment terms on standard or contracted products are net 30 days from date of invoice, and any unpaid balance shall be subject to a late charge of 1.5 percent per month thereafter. Minimum order policy: net \$25.

See 'Custom Products' section below for terms specific to non-standard products.

Returns:

Valley Craft ships only first-quality merchandise after thorough inspection in strict compliance with customer orders. There is a 30-day return policy on all standard parts and products. All returns must have prior written factory approval. Returns made otherwise will not be accepted at the receiving dock and may result in customer liability for carrier storage charges. Authorized return merchandise will be subject to a 25 percent restocking charge plus applicable freight charges. Return authorization will contain instructions regarding disposition and shipping address to be used for return merchandise.

Custom Products (per quote specifications):

Products especially made to meet customer specifications are not returnable. An order acknowledgement and approval drawing will be provided on all custom orders. Be sure to check our acknowledgement of order and approval drawing against your requirements and report any discrepancies immediately. Valley Craft will not be responsible for incorrectly manufactured custom products that meet customer approved order acknowledgement and approval drawing specifications.

A down payment of 50% will be due within 10 days of order receipt. The remaining 50% is due net 30 days from product ship date. If down payment is not received within 10 days, work will be paused until payment is received. If order is cancelled by customer, customer is responsible for costs incurred up to the point of cancellation.

Shipments will be invoiced at prices effective upon receipt of order, unless prior arrangements have been made for shipment beyond normal lead time.

Freight:

Shipments are made FOB origin unless otherwise quoted. Merchandise is shipped either FOB origin freight collect, or FOB origin freight prepaid and added to customer invoice.

Freight Claims:

It is the receiving party's responsibility to make the proper notations on freight bills at the time of receipt of "short shipments" or damaged merchandise. It is also the receiving party's responsibility to initiate all claims with delivering carriers, and follow up on such claims until a satisfactory settlement is made with said carrier. Valley Craft Industries, Inc., is not responsible for short shipments due to loss by the carrier and/or damage in transit.

Warranty & Limitation of Liability:

Valley Craft products are warranted for a period of one (1) year from date of shipment from Valley Craft's plant to be free from defects in material and workmanship under correct use, normal operating conditions and proper application. However, parts of other than Valley Craft manufacture are subject ONLY to the original manufacturer's warranty. Valley Craft's obligation under the warranty shall be limited to the repair or exchange, at Valley Craft's option, FOB Valley Craft's factory, of any Valley Craft product or part which proves to be defective as provided herein. Valley Craft reserves the right to either inspect the product at Buyer's location, or require it to be returned freight prepaid to the factory for inspection. The warranty contained herein does not extend to goods damaged, or subject to accident, abuse or misuse after shipment from Valley Craft's factory, nor to goods altered or repaired by anyone other than an authorized Valley Craft representative.

Buyer or user shall not alter, modify or use a Valley Craft product for anything other than its intended function. Valley Craft shall not in any way be responsible for the consequences of any such alteration, modification or misuse.

VALLEY CRAFT MAKES NO EXPRESS WARRANTIES OTHER THAN THOSE WHICH ARE SPECIFICALLY DESCRIBED HEREIN. Any description of the goods sold hereunder, including any references to Buyer's specifications and any descriptions in catalogs, circulars and other written material published by Valley Craft, is for the sole purpose of identifying such goods and shall not create an express warranty that the goods shall conform to such descriptions. THIS WARRANTY IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THIS WARRANTY STATES VALLEY CRAFT'S ENTIRE AND EXCLUSIVE LIABILITY, AND BUYER'S EXCLUSIVE REMEDY FOR ANY CLAIM FOR DAMAGES IN CONNECTION WITH THE SALE OR FURNISHINGS OF VALLEY CRAFT PRODUCTS, THEIR DESIGN, SUITABILITY FOR USE, INSTALLATION OR OPERATION OR FOR ANY CLAIMED DEFECTS THEREIN. VALLEY CRAFT WILL IN NO EVENT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER, NOT FOR ANY SUM IN EXCESS OF THE PRICE RECEIVED FOR THE GOODS FOR WHICH LIABILITY IS CLAIMED.

