

CONDITIONS and TERMS of SALE of ITT ENGINEERED PROCESS SOLUTIONS GROUP (EPSG) (hereinafter referred to as Seller)

1. CONTROLLING PROVISIONS: These terms and conditions shall control with respect to any purchase order or sale of Seller's products. No waiver, alteration or modification of these terms and conditions whether on Buyer's purchase order or otherwise shall be valid unless the waiver, alteration or modification is specifically accepted in writing and signed by an authorized representative of Seller.

2. DELIVERY: Seller will make every effort to complete delivery of products as indicated on Seller's acceptance of an order, but Seller assumes no responsibility or liability, and will accept no backcharge for loss or damage due to delay or inability to deliver caused by acts of God, war, labor difficulties, accident, delays of carriers, by contractors or suppliers, inability to obtain materials, shortages of fuel and energy or any other causes of any kind whatever beyond the control of Seller. Seller may terminate any contract of sale of its products without liability of any nature, by written notice to Buyer. In the event that the delay in delivery or performance resulting from any of the aforesaid causes shall continue for a period of sixty (60) days. Under no circumstances shall Seller be liable for any special or consequential damages or for loss, damage or expense (whether or not based on negligence) directly or indirectly arising from delays or failure to give notice of delay.

3. WARRANTY: Seller warrants for one year from the date of shipment Seller's manufactured products to the extent that Seller will replace those having defects in material or workmanship when used for the purpose and in the manner which Seller recommends. If Seller's examination shall disclose to its satisfaction that the products are defective, and an adjustment is required, the amount of such adjustment shall not exceed the net sales price of the defective products only and no allowance will be made for labor or expense of repairing or replacing defective products or workmanship or damage resulting from the same. Seller warrants the products which it sells of other manufactures to the extent of the warranties of their respective makers. Where engineering design or fabrication work is supplied, Buyer's acceptance of Seller's design or of delivery of work shall relieve Seller of all further obligation, other than as expressed in Seller's product warranty. THIS IS SELLER'S SOLE WARRANTY. SELLER MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED SELLER'S AFORESTATED OBLIGATION ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED FROM THIS WARRANTY. Seller neither assumes, nor authorizes any person to assume for it, any other obligation in connection with the sale of its engineering designs or products. This warranty shall not apply to any products or parts of products which (a) have been repaired or altered outside of Seller's factory, in any manner; or (b) have been subjected to misuse, negligence or accidents; or (c) have been used in a manner contrary to Seller's instructions or recommendations. Seller shall not be responsible for design errors due to inaccurate or incomplete information supplied by Buyer or its representatives.

4. U.S. EXPORT CONTROLS: If applicable, Seller shall file for a U.S. export license only after appropriate documentation for the license application has been provided by Buyer. Buyer shall furnish such documentation within a reasonable time after order acceptance. Any delay in obtaining such license shall suspend delivery dates of EQUIPMENT without liability to either party. If export license is not granted or is revoked by the appropriate authorities, the ORDER may be cancelled by Seller in accordance with the Seller's cancellation policy. Seller will ship the ORDER in accordance with the United States Department of Commerce's Export Administration Regulations. Export or re-export of the ORDER contrary to U.S. law is prohibited.

5. SELLER'S LIABILITY: Seller will not be liable for any loss, damage, cost of repairs, incidental or consequential damages of any kind, whether based upon warranty (except for the obligation accepted by Seller under "Warranty" above), contract or negligence, arising in connection with the design, manufacture, sale, use or repair of the products or of the engineering designs supplies to Buyer.

6. RETURNS: Seller cannot accept return of any products unless its written permission has been first obtained, in which case same will be credited subject to the following: (a) All material returned must, on its arrival at Seller's plant, be found to be in first-class condition; if not, cost of putting in saleable condition will be deducted from credit memoranda; (b) A handling charge will be made from all credit memoranda issued for material returned; (c) Transportation charges, if not prepaid, will be deducted from credit-memoranda.

7. SHIPMENTS: All products sent out will be carefully examined, counted and packed. The cost of any special packing or special handling caused by Buyer's requirements of requests shall be added to the amount of the order. No claim for shortages will be allowed unless made in writing within ten (10) days of receipt of a shipment. Claims for products damaged or lost in transit should be made on the carrier, as Seller's responsibility ceases, and title passes, on delivery to the carrier.

8. SPECIAL PRODUCTS: Orders covering special or non-standard products are not subject to cancellation except on such terms as Seller may specify on application.

9. PRICES AND DESIGNS: Prices and designs are subject to change without notice. All prices are F.O.B. Point of Shipment, unless otherwise stated.

10. TAXES: The amount of any sales, excise or other taxes, if any, applicable to the products covered by this order, shall be added to the purchase price and shall be paid by Buyer unless Buyer provides Seller with an exemption certificate acceptable to the taxing authorities.

11. MINIMUM INVOICE: \$200.00 plus transportation on complete valve assemblies. \$100.00 plus transportation on replacement parts.

12. TERMS: Cash, net 30 days unless otherwise specified.

WARNING

Engineered Process Solutions Group Valves are designed and manufactured using good workmanship and materials, and they meet all applicable industry standards. These valves are manufactured with various materials, and they should be used only in services recommended by a company engineer.

Misapplication of the product may result in injuries or property damage. A selection of valve components of the proper material and consistent with the particular performance requirement is important for proper application.

Examples of the misapplication or misuse of any Engineered Process Solutions Group products include use in an application in which the pressure/temperature rating is exceeded or failure to maintain valve as recommended and use of products to handle caustic and/or hazardous substances when not designed for that purpose.

If the valve exhibits any indication or leakage, do not operate. Isolate valve and either repair or replace.

For more information locate your local representative
at www.engvalves.com or contact:

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ITT Industries

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