

# SPARES PARTS & TOOLS, GENERAL CONDITIONS & TERMS OF SALE

WAFIOS Machinery Corporation accepts orders for Parts and Tooling only on the terms and conditions below. All quotations and sales by WAFIOS Machinery Corporation are expressly made on the following terms and conditions which apply to and shall be included as part of the quotation and contract of sale. Contrary conditions are ineffective unless expressly included in the contract of sale.

## 1. DEFINITIONS

- 1.1 The words "WMC" and "Seller" refer to WAFIOS Machinery Corporation.
- 1.2 The words "you," "your" and "Customer" refer to the buyer.
- 1.3 "Parts" are defined as components of machines unless otherwise defined below.
- 1.4 "Tooling" is defined as components in direct contact with the end product, that are application specific and expected to wear over time due to production.
- 1.5 "Item" refers to parts or tooling when referenced in a general sense.
- 1.6 WMC's warehouse, is any site the shipment originates from.

## 2. PRICE

- 2.1 All prices are in US dollars and are valid for 30 days from the date of quotation unless otherwise indicated in writing. The quoted price does not include service labor to install the Items unless specified in the quotation. All prices are subject to federal, state and local taxes. Any taxes, duties or carrier handling charges not included in the invoice may be invoiced later and the Customer accepts responsibility for paying them.

## 3. PURCHASE ORDERS

- 3.1 The customer must provide a written purchase order to effect an order. This PO should indicate:
  - a. The correct payment terms as stated on the quotation.
  - b. The method of shipment (if undefined, it will be at the discretion of WMC)
  - c. Reference to any quotation provided by WMC.
- 3.2 In lieu of a PO, the customer can sign the quote, acknowledging the terms of the quotation.
- 3.3 Verbal orders are accepted only on condition of these terms.

## 4. SHIPMENTS

- 4.1 All orders are "ex-works" (Incoterm 2010) from WMC's warehouse. WMC will select the carrier of its choice to ship Items unless otherwise specified. The Customer is responsible for all freight charges, insurance premiums, duties and taxes.

## 5. PAYMENT TERMS

- 5.1 Net 30 days from the date of shipment. Unless otherwise specified.

## 6. LEAD TIMES & DELIVERY

- 6.1 Lead times are calculated from the quote date on quotes and from the order date on orders
- 6.2 Lead times are estimates and can change as other orders are received (Subject to prior sale).
- 6.3 WMC is not responsible for any delays that may arise or, for any damages that result from delayed or cancelled shipments, for any reason.

## 7. CREDIT APPROVAL

- 7.1 Customer Responsibility for Payment: All orders sold on credit are subject to approval by WMC's Credit Department. WMC reserves a security interest in the Items (and their proceeds) until the Items have been paid for in full. If requested by WMC, the Customer will need to sign and return any UCC1 financing statements before the Item can be shipped.
- 7.2 It is the Customer's responsibility to make payments on time as agreed. If payment is not received as scheduled, the Customer will be billed an additional one and one-half percent (1½%) per month on the unpaid balance until the complete amount has been paid. These charges will be added to and become part of the purchase price. The Customer is also responsible for any costs incurred by WMC in collecting the purchase price or enforcing its security interest, including without limitations, reasonable attorneys' fees and expenses.

## 8. WARRANTIES

- 8.1 **Spare Parts (Mechanical)**  
WMC warrants the Parts it sells under these Terms and Conditions to be free of defects in materials and workmanship for the lesser of 1 year, or 2000 run time hours, from the time of delivery. A Part found to be defective within this period will be repaired or replaced with new or refurbished parts by WMC at no charge to the Customer. This is the sole and exclusive remedy of the Customer under this Warranty.
- 8.2 **Spare Parts(Electrical)**  
WMC warrants the Parts it sells under these Terms and Conditions to be free of defects in materials and workmanship for 90 days. A Part found to be defective within 90 days from delivery to the Customer will be repaired or replaced with new or refurbished Parts by WMC at no charge to the Customer. This is the sole and exclusive remedy of the Customer under this Warranty.
- 8.3 **Tooling**  
WMC warrants the Tooling it sells under these Terms and Conditions to be free of defects in materials and workmanship for 90 days. A Tool found to be defective within 90 days from delivery to the Customer will be repaired or replaced with new or refurbished Tooling by WMC at no charge to the Customer. This warranty does not include normal wear or damage due to events not related to normal tool usage.
- 8.4 **Refurbished Parts**  
Refurbished Items are provided with the same warranty as new Items as listed above. Refurbished Items are usually sold at a discount and under the understanding that the original Item will be returned in lieu of a "core charge". In order to be credited for the "core charge" the defective item must be returned by the Customer, freight pre-paid, within 15 days of the refurbished Item's invoice date.
- 8.5 **Consumables**  
This warranty does not include any consumable item.

## 9. CUSTOMER RESPONSIBILITIES UNDER THE WARRANTY

- 9.1 It is the Customer's responsibility to notify WMC immediately if an Item is found defective during the warranty repair and replace period.
- 9.2 The Customer must request and obtain a return material authorization (RMA) before returning an Item to WMC and must return the warranted Item to WMC within 30 days of RMA issuance (15 days for Refurbished Items).
- 9.3 If a RMA is not obtained, or the warranted Item is not returned within the 30-day period, the warranty will be voided and the Customer will be charged for the replacement Item at the current list price.
- 9.4 **Modification of item.** Any modification of items supplied by WMC, without expressed permission of WMC, will render the item no longer under warranty and non-returnable.

## 10. WMC RESPONSIBILITIES UNDER WARRANTY

- 10.1 WMC will issue an RMA for parts/tools that are determined to fall under the warranty.
- 10.2 Upon return, WMC will evaluate the part/tool.
- 10.3 Upon determination that the Item does indeed qualify under the warranty, the customer will be credited for the price of the Item, or be provided a replacement Item (new or refurbished) at the discretion of WMC.

## 11. DISCLAIMER OF OTHER WARRANTIES

- 11.1 THE WARRANTIES SET FORTH IN SECTION 8 ABOVE ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE EXCLUDED.

## 12. CANCELLATION

- 12.1 Order cancellations must be requested in writing by the Customer and are only possible if the Item has not yet been shipped. Orders for special-order and/or non-stock Items cannot be cancelled.

## 13. RETURNS FOR CREDIT

- 13.1 WMC will accept the return of an Item for credit if:
  - a. The Item is unused in salable condition and in original packaging.
  - b. The Customer's requested and obtained a return material authorization (RMA) before returning any Item to WMC.
  - c. The item is received less than 30 days from the invoice date and are accepted by WMC.
- 13.2 All returns are subject to a, minimum, restocking fee of 15%.
- 13.3 All authorized returns should be shipped, freight prepaid, to WAFIOS Machinery Corporation, 27 NE Industrial Road, Branford CT 06405, or as otherwise specified by WMC.
- 13.4 Special-order or custom-made Items and discontinued items cannot be returned for credit.

## 14. TITLE; RISK OF LOSS; INSURANCE

- 14.1 The Customer is purchasing Item for the repair or maintenance of WMC machine-tool products ("Products") that will become part of the Product as if present at the time of manufacture.
- 14.2 Title (subject to any reserved security interest) and risk of loss pass to the Customer when WMC gives the Item to the carrier for shipment.
- 14.3 Items paid for in full before shipment will be shipped uninsured unless the Customer requests insurance when ordering. Items purchased on credit must be insured by the Customer for at least the purchase price against loss or damage by fire and other "extended coverage" hazards during transit and while at the Customer's facility until the Items are paid for in full. Losses covered by the insurance are to be paid in WMC's name and will be applied to the unpaid balance.

## 15. WORK AND SAFETY REGULATION; INDEMNIFICATION

- 15.1 The Customer is responsible for knowing, understanding and complying with the work and safety laws and regulations governing use of WMC Products and Items, and WMC does not assume responsibility or liability for the Customer's performance or compliance with those laws and regulations.
- 15.2 The Customer assumes all risk of and shall indemnify and hold harmless to the fullest extent permitted by law, WMC, and any of its board, officers, employees, parents, subsidiaries, affiliates or agents from and against any liability arising from any misuse, abuse, modification or repair of the Products or Items by the Customer, it's employees or agents after delivery, including without limitation, any injury, disability or death of workers or employees. BUYER'S OBLIGATION HEREUNDER IS IN NO WAY LIMITED BY ANY PROTECTION AFFORDED IT UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFITS ACTS, OR OTHER EMPLOYEE BENEFITS ACTS.

## 16. LIMITATION OF LIABILITY

- 16.1 WMC'S LIABILITY FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THE PERFORMANCE OR BREACH OF THE TERMS HEREOF, OR FROM THE DESIGN, MANUFACTURE, SALE, DELIVERY, RESALE, INSTALLATION, TECHNICAL DIRECTION OF INSTALLATION, INSPECTION, REPAIR, OPERATION OR USE OF ANY GOODS SOLD OR PROVIDED BY WMC TO THE CUSTOMER, SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE GOODS THAT GIVE RISE TO THE CLAIM. IN NO EVENT SHALL WMC HAVE ANY LIABILITY FOR EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR LOST PROFITS DAMAGES, INCLUDING BUT NOT LIMITED TO LOST SALES, LOST OPPORTUNITIES, LOST MARKET GROWTH OR LOSS OF FUTURE MARKET SHARE. THE LIMITATIONS OF LIABILITY SET FORTH HEREIN SHALL OPERATE ON ANY CLAIM(S) OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR INJURY TO PERSONS OR PROPERTY), WHETHER BASED ON CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES

## 17. NOTICE OF CLAIMS

- 17.1 The Customer is responsible for inspecting the Item upon receipt and must notify WMC in writing of any claims within 10 days of receiving the Item. If the Customer does not give written notice within this time period, it forfeits any right to the claim.

## 18. LIMITATION OF ACTIONS

- 18.1 No action for breach of any term of this contract or any other duty of Seller with respect to the Item may be commenced more than one (1) year after delivery of the Item to the Customer.

## 19. FORCE MAJEURE

- 19.1 WMC is not liable for nor shall it be considered to be in breach of or default under these terms for any delay or failure to perform as a result of any causes or conditions beyond its reasonable control, including but not limited to fire, explosion, flood, storm or other acts of God, war, embargo, strike, riot, or the intervention of any government authority. If a force majeure event occurs, WMC shall give the Customer prompt written notice and use commercially reasonable efforts to minimize the event's impact.

## 20. GOVERNING LAW

- 20.1 This contract and all matters concerning, arising out of or relating to its subject matter shall be governed by the laws of the State of Connecticut, excluding the State's conflict of law principles.

Comments and requests for further information can be sent to:  
WAFIOS Machinery Corporation  
27 Northeast Industrial Road  
Branford, CT 06405  
Tel: 203-481-5555  
Email: Parts@wafios.us