

## CLARKSVILLE FOUNDRY, INC. TERMS AND CONDITIONS OF SALE

The following Terms and Conditions of Sale (the “Terms”) apply to all purchase orders and/or authorizations accepted by Clarksville Foundry, Inc. (the “Seller”). These Terms provide you (the “Purchaser”) with the guidelines and legal stipulations for the goods and/or services that are described on the face of your purchase order and/or authorization (the “Order”). Purchaser and Seller may be collectively referred to herein as the “Parties” or individually as “Party” as the context requires.

- 1. Acceptance of Terms and Conditions:** Seller will acknowledge acceptance of an Order and agrees to be bound by, and to comply with, any specifications referred to in the Order not in conflict with the Terms. These Terms may be modified only by a written document signed by a duly authorized representative of Seller. Acceptance by Seller of Purchaser’s Order is expressly conditioned upon Purchaser’s assent to these Terms. Seller assents to no Terms and Conditions other than those contained herein.
- 2. Quotations:** Unless otherwise stated, all quotations shall expire thirty (30) days from the date of quotation. Quoted lead times are estimates and are subject to fluctuation based on workload at the time the Order is received. All prices quoted are in USD. All orders are subject to acceptance by Seller as communicated via order acknowledgement.
- 3. Testing and Secondary Services:** All material testing and secondary services shall be performed at Purchaser’s expense. Unless explicitly stated otherwise in quotation or order acknowledgement, prices do not include any material testing or secondary services (machining, painting, heat treatment, x-ray analysis, dye penetrant testing, chemical analysis, mechanical testing, dimensional analysis, pressure testing, etc.) All requirements for material testing or secondary services must be made explicitly by Purchaser at the time of order and accepted in writing by Seller. Purchaser acknowledges that requests for material testing and/or secondary services may be impossible for Seller to fulfill if not made clear at the time of order, and agrees to waive such requirements should this situation arise.
- 4. Price:** The Order will be filled at the price shown on the face of the order acknowledgement. If no price is set forth on the Order, the goods or services will be billed at the prevailing market price subject to Purchaser’s authorization.
- 5. Delivery:** Shipping dates on quotations and order acknowledgements are approximations only. Seller will use its best efforts to meet estimated shipping dates, provided the Purchaser supplies all necessary information promptly, but Seller shall not be held responsible for failure to do so. If Seller for any reason anticipates difficulty in complying with required delivery dates, or in meeting any other specifications of the Order, Seller will notify Purchaser in writing.
- 6. Changes:** Any changes to the Order, after acceptance by Seller, are subject to Seller’s written approval.
- 7. Termination:** Purchaser may not terminate all, or any part, of an Order without the prior written consent of Seller.
- 8. Packaging and Shipment of Goods:**

- 8.1. Packaging:** All goods will be packaged in the manner determined by Seller and shipped by the manner, route, and carrier determined by Seller absent Purchaser specifications. If Purchaser does not specify the manner of shipment, route, or carrier, then Seller shall ship the goods at the current transportation rates, consistent with Seller's obligation to meet the delivery schedule set forth in the Order and Purchaser will be billed for all packaging and shipping related costs, except where agreed to in writing by both Parties.
- 8.2. Shipping:** All items ordered shall be delivered F.O.B. Clarksville, TN. Purchaser agrees that Seller shall not be held liable for damage or loss of goods occurring in transit, and recognizes that per standard freight line terms any damage/loss claim must be initiated by Purchaser, as the receiving party of damaged/lost goods.
- 8.3. Under/Over Shipments:** Due to inherent uncertainties in manufacturing, and in accordance with standard foundry practice, Seller reserves the right to fill all orders ten percent (10%) over or under the quantity specified on the Order. Purchaser agrees to accept and compensate Seller for all castings received.
- 9. Inspection:** All goods and services are subject to inspection and test by Purchaser which shall be deemed accepted unless Purchaser notifies Seller, in writing, within ninety (90) days of the delivery date.
- 10. Invoices, Payment, and Taxes:**

  - 10.1. Invoice:** The invoice (the "Invoice") shall be rendered on completion of services or shipment of goods and shall refer to the Purchase Order, description of goods or services, quantities, unit prices, dates rendered, and total purchase price, except where superseded by section 8.3 Under/Over Shipments.
  - 10.2. Payment:** Subject to credit approval, payment shall be made on the terms of net thirty (30) days from the date of the Invoice. Any payment not received by Seller in the agreed-upon terms shall be subject to interest, accruing at an annual percentage rate of twelve percent (12%) computed at the monthly rate of one percent (1%) of the unpaid balance on the outstanding statement, until payment in full is made, plus collection costs, including reasonable attorney fees, that Seller may incur in the course of efforts to collect. Absent credit approval, Seller reserves the right to require payment in full before production or shipment of goods.
  - 10.3. Taxes:** Seller recognizes that Purchaser may be treated as tax-exempt for purchases made pursuant to an Order and shall exclude taxes to an Order under Purchaser's tax-exempt status.
- 11. Failure to Pay:** In the event of failure to pay for goods or services rendered, Seller maintains the right to retain possession of some or all tooling in possession of Seller that is owned by Purchaser until all outstanding debts owed to Seller have been settled.
- 12. Warranties:** Seller warrants that castings will be free from visible defects due to poor workmanship and/or defective materials under normal use. Seller represents and warrants that all goods and services are produced and/or performed in a manner acceptable in the industry and in accordance with generally accepted standards and provided specifications. If necessary to determine the root cause of defective

castings, Seller shall be permitted to inspect the castings before Purchaser or Seller attempts to rework or further process the castings. Seller agrees to either repair, replace, or credit defective castings, or any other means of reconciliation agreed upon in writing by both Parties, provided that the defects are not the result of Buyer's misuse, neglect, improper installation, improper machining, repair, etc.

Seller warrants that any tooling provided by Seller shall be in agreement with dimensional specifications mutually agreed upon by both Parties, plus applicable shrink factors, to within the tolerances specified in Table 3 of ASTM A47. If tooling provided by Seller is found to not conform with the dimensional specifications agreed upon, it shall be Seller's obligation, at Seller's expense, to repair or replace the tooling to bring it to within the mutually agreed specifications.

Seller's aggregate liability arising from or relating to the Order is limited to the amount paid by Purchaser for the goods and/or services and to Purchaser having fully paid the Purchase Price. Seller shall not be liable under the Order for any special, incidental, consequential, indirect, or punitive damages.

- 13. Indemnification:** Purchaser assumes full responsibility for design, engineering, material specification, suitability of castings for their applications, etc. Purchaser agrees to indemnify Seller against any claim by Purchaser, or Purchaser's customer. Additionally, Purchaser agrees to indemnify Seller against all claims of patent, copyright, or trademark infringement with respect to any products manufactured wholly or in part to Purchaser's designs or specifications. Suggestions made by Seller for changes in design or specifications to improve castability, or for any other reason, are suggestions only and Purchaser accepts all liability arising from such changes.
- 14. Confidential or Proprietary Information:** Unless specified by a document between the Parties to the contrary, any knowledge or information which in any way relates to the goods or services covered by an Order shall not be deemed to be confidential or proprietary information.
- 15. Tooling**
  - 15.1. Tooling Condition:** Any tooling provided by the Purchaser shall be in proper condition to produce the quality and quantity of castings agreed upon. All necessary tooling maintenance, repairs, and/or changes shall be the obligation of the owner of the tooling. Seller is not responsible for ordinary wear and/or damage resulting from use.
  - 15.2. Controlling Document:** Purchaser recognizes that castings provided by Supplier will be in conformance with the tooling either provided or approved by Purchaser, regardless of conformance of the casting or tooling to any drawings, prints, etc. The tooling/pattern equipment is the controlling document defining the physical characteristics of castings provided by the Seller. Seller is not responsible for variations existing between drawings and patterns or other equipment supplied or approved by Purchaser.
  - 15.3. Storage of Tooling:** Seller agrees to store active tooling for Purchaser (as space allows) unless otherwise agreed by the Parties. Should tooling remain inactive for a period greater than three (3) years, the tooling may be returned to Purchaser at Purchaser's expense. Insurance of patterns is the sole responsibility of the Purchaser; Seller maintains no insurance on customer-

owned property. All packing, crating, and transportation charges on patterns, to and from Seller, shall be paid by Purchaser.

**16. Miscellaneous.**

- 16.1. Governing Law:** The Order, these Terms, and all related transactions will be interpreted under and governed by the laws of the State of Tennessee without regard to its conflict of law principles. The venue shall be in the Tennessee courts located in Montgomery County, Tennessee, or the Middle District of Tennessee Federal Court.
- 16.2. Governing Terms:** The Terms supersede any other terms to the contrary.
- 16.3. Dispute resolution:** Disputes arising under this Agreement are first subject to the Parties' good faith negotiations, in the ordinary course of business, prior to either Party instituting a judicial action to resolve the dispute.
- 16.4. Force Majeure:** Seller shall not be liable for any loss or damages resulting from prosecution or failure to complete the Order caused by labor disputes, floods, fires, riots, thefts, accidents, pandemics, inability to obtain necessary labor, materials, components, acts of government, or any other cause which is beyond the reasonable control of the Seller. Seller agrees to notify the Purchaser should any of these events occur. Seller shall have the right in the event of any of the above contingencies to cancel the Order or any part thereof.
- 16.5. Severability:** Nothing contained herein shall be construed to require the commission of any act contrary to law, and wherever there is a conflict between any provision of this Agreement and any present or future statute, law, government regulation, or ordinance contrary to which the Parties have no legal right to contract, the latter shall prevail, but in such event, the provisions of this Agreement affected shall be curtailed and restricted only to the extent necessary to bring them within legal requirements. If any provision of this Agreement is deemed unlawful, the remainder of the Agreement shall remain in full force and effect.

Revised: 26 July 2021