

TERMS & CONDITIONS

ETI INC. standard terms and conditions apply to all Quotes, Purchase Orders, Repair Orders, and Sales Orders. To the extent that the above is issued in response to an offer and the above is considered a response to an offer based on previous documents or circumstances, then acceptance of your company's order is expressly made conditional on your company's assent to the terms and conditions of this Quote. If your company does not assent to such terms, there is no contract.

Material/parts processed by ETI INC. shall be accepted as satisfactory by you if ETI INC. is not notified of damages, shortages or other discrepancies within fifteen (15) days of your receipt.

Rejected materials/parts must be returned to ETI INC. for rework or replacement. Alterations, further processing or assembly of unsatisfactory material/parts by you or other parties shall constitute a waiver of any liability to ETI INC.

All Purchase Orders are subject to a minimum 15% restocking fee. Custom machining or repair may be subject to a higher restocking fee. In addition, all parts must be returned within 30 days of parts being shipped. After 30 days, no returns will be processed. Written Return Authorization is required. All returns are subject to executive review.

As the Purchaser, when you provide ETI INC. with material/parts and detailed processing instructions or processing requirements. ETI INC.'s responsibility ends upon completion of those instructions. Type of material, heat treat, tolerances and specifications for processing shall be given in writing prior to processing.

The Purchaser shall retain title and risk of loss for all material/parts provided to ETI INC. as specifically provided herein or otherwise agreed to in writing by ETI INC.

ETI INC.'s liability for any cause is limited to the cost of direct labor and material for the material/parts directly damaged by ETI INC. processing or two (2) times the ETI INC.'s processing charges on such material/parts, whichever is the lesser. Charges for services are based on this policy limiting ETI INC. liability. Only when agreed upon in writing will ETI INC. assume greater liability. In such event a higher charge may be made for ETI INC. services.

In the event that processing operations are unsatisfactory due to metal imperfections, changes in grade or composition of materials, manufacturing and/or fabrication imperfections, usages for which the processing or other finishing operations was not reasonably designed or similar conditions over which ETI INC. has no control, the customer is liable for the contracted amount for the processing operations performed including but not limited to damage during shipping, improper storage, etc.

In no event will ETI INC. be liable for indirect, special, incidental, exemplary or consequential damages of any kind sustained from any cause or arising out of any legal theory. These limitations also apply to any liability that may arise out of third-party claims.

April 1, 2014