

# GENERAL TERMS AND CONDITIONS FOR CONTINENTAL DISC CORPORATION, GROTH CORPORATION, LaMOT and LaMOT VALVE AND ARRESTOR BRAND, HEREINAFTER CALLED "COMPANY"

These general terms and conditions apply to the products on the attached document and to all products manufactured and supplied by **Continental Disc Corporation** and cannot be modified unless explicitly agreed to in writing.

- 1) **EXPORT NOTICE** - Customer shall comply with all applicable U.S. export control laws and regulations and not export or re-export any technical data or information, or any product based thereon, that it receives from Company to any country or entity to which shipment or communication is prohibited by said laws or regulations unless properly authorized to do so by the U.S. Government.  
Buyer acknowledges that product(s) purchased may be subject to the export administration (15 C.F.R. 700-799), ITAR (22 C.F.R. 120-130), or OFAC (31 C.F.R. 500-598) control laws and regulations of the U.S. Government. The Buyer agrees to fully comply with such laws and regulations in the export, re-export, resale or disposition of products, and will not directly or indirectly export the products and related technical data to any country of final destination, individual, or entity in violation of Export Administration regulations (EAR) of the U.S. Department of Commerce, or the U.S. Department of State (ITAR), U.S. Department of Treasury (OFAC), and other applicable export regulations or laws.  
Specifically Buyer further agrees not to export, re-export, divert or transfer the product(s):
  - Into, or to a foreign national or country to which the United States has embargoed goods,
  - Or to anyone included in any of the U.S. government List of Specially Designated Nationals, the Table of Denial Orders, the Entity List, or other governmental list,
  - Or to anyone involved in the manufacturing and/or proliferation of weapons or weapons of mass destruction or other defense military applications in violation of U.S. applicable laws. Certain Company "dual use" products and technology may require export licenses from the U.S. Department of Commerce's Bureau of Industry and Security (BIS) and/or local national regulatory agencies controlling the export of dual-use products and technology outside of the United States, and/or U.S. Department of Energy U.S. Nuclear Regulatory Commission, U.S. Department of State's Directorate of Defense Trade Controls (ITAR), and/or other local national defense regulatory agency.
  - By buying and/or using the products the Buyer is representing and warranting that the END-USER or END-USE is not located in, or under the control of, or a national resident of, any such country, or on any such lists, or involved in any such activity without first obtaining approval/license from appropriate U.S. Government agency.
- 2) **STANDARD TERMS OF SALE** - Payment terms are net 30 days ex-works factory (if credit is granted), Liberty, Missouri or Stafford, Texas or as designated by Company.
- 3) **QUOTATIONS** - Quotations are not offers subject to the purchaser's acceptance, but are information upon which the purchaser may base his purchase order. Quotations are valid for (30) days from the date of proposal.
- 4) **ORDERS** - All orders are subject to acceptance by a Company representative and will be interpreted and enforced in accordance with the laws of the State of Missouri. These terms, as part of the resulting contract, are complete and in place of any other terms that may have been previously prepared by either customer or Company. Additions to or alterations of these terms must be authorized by a representative of Company in writing.
- 5) **DRAWING APPROVAL** - Company reserves the right to adjust the pricing and/or delivery of an order if the customer makes changes to drawings during approval. Quoted lead time begins after customer drawing approval. Company reserves the right to adjust the pricing and/or delivery of an order if the customer does not return approval drawings within 2 weeks after receipt.
- 6) **EXPEDITED DELIVERIES** - Charges for expedited delivery will be assessed on an order-by-order basis. Expedite fees per company's fee schedule.
- 7) **INSPECTION** - All third party inspection costs are the responsibility of the Customer, unless specifically agreed in writing otherwise.
- 8) **INVOICE** - Company will invoice. Orders should be addressed to Company, c/o our authorized Sales Representative for your area.
- 9) **TAXES** - All taxes, custom duties and/or levies imposed upon the sales, use, purchase, delivery, storage, consumption or transportation of the products ordered hereunder shall be Customer's responsibility and will be an additional charge to the quoted prices.
- 10) **PACKING AND SHIPPING** - Company will determine the best method for product delivery, unless Customer has furnished shipping instructions to Company prior to the time Company has completed packaging and shipping. Shipment schedules are based upon process time, material availability, and labor conditions. Company shall not be liable in any way for failure or delay in making shipments as scheduled. Company reserves the right to add shipping, packaging, and processing charges on orders. Delivery lead-time does not begin until an agreement has been reached regarding payment terms, drawing approval (if required), and receipt of Customer Purchase Order with full release to manufacture. If credit terms are determined to be Cash In Advance, lead time, manufacturing and ordering of components does not begin until funds are received unless a different arrangement has been agreed upon in writing. In case the buyer does not meet the payment obligations, the Company is entitled to withhold all or partial shipment.
- 11) **STORAGE AND ORDER INVOICING PRIOR TO SHIPMENT** - A storage fee of 1.25% of the total order value per week will apply if the order cannot be released by the scheduled ship date due to issues created by the buyer.
- 12) **RETENTION** - The Company does not accept retention clauses on orders, unless explicitly agreed to in writing and signed by an officer of the Company.
- 13) **CHANGES OR CANCELLATION** - Customer changes to specifications will result in charges to the Customer to cover any resulting material, labor, and processing costs. There will be a cancellation charge equal to 100% of the sales price of the cancelled portion of the order.
- 14) **MINIMUM BILLING CHARGE** - \$50.00 for all orders.
- 15) **RETURNED MATERIAL** - No product may be returned to Company without a Return Material Authorization (RMA) number issued by the Company. Collect shipments will not be accepted at Company's factory unless authorized by prior written agreement.
- 16) **DISCLAIMER OF CONSEQUENTIAL DAMAGES** - In no event shall Company be liable for any incidental, indirect, special or consequential damages arising out of or in connection with the use or misuse of the products sold hereunder or Company's performance hereunder, including, but not limited to, any claimed damages for loss of use, lost profits and/or injury to persons or damage to property.
- 17) **LIMITED WARRANTY** - Company products have a limited warranty against defective workmanship and materials for a period of one (1) year after date of invoice. In no event shall Company's liability with respect to any of the product(s) furnished by Company exceed the charges paid by Customer to Company for such product(s). Customer's sole remedy for any defective product or any other breach of its performance shall be the repair or replacement of any defective product, as determined by Company, which has been returned to Company's plant at Customer's expense. IT IS EXPRESSLY UNDERSTOOD BY CUSTOMER THAT THE FOREGOING REMEDY IS CUSTOMER'S EXCLUSIVE AND SOLE REMEDY. EXCEPT AS SPECIFICALLY PROVIDED ABOVE, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.
- 18) **PATENT INFRINGEMENT** - Should the Customer's drawings or specifications infringe or allegedly infringe upon a patent or trademark, Company will in no way be responsible for any claims or damages resulting from this infringement. Customer hereby agrees to save, defend, and hold harmless Company from and against any and all claims or damages arising out of such infringement or alleged infringement.
- 19) **GOVERNING LAW AND JURISDICTION** - These terms and conditions shall be construed in accordance with the laws of the state of Missouri, USA and the laws of the United States of America applicable therein without regard to principles of conflict of law. Customer and Company irrevocably and unconditionally agree that any suit, action, or other legal proceeding must be (a) brought in the courts of Liberty, Missouri, USA; (b) consent to the exclusive jurisdiction of any such court and (c) waive any objection to the change in venue of any such court.
- 20) **WARNINGS:**
  - a. Customer and/or user shall be responsible for determining proper venting, flow requirements and product sizing. Company assumes that Customer has provided for proper sizing and venting of a system to relieve the specific pressure and flow requirement. Safe direction or containment of relief should be considered when processes involve toxic, flammable, or volatile materials. Extreme caution must be taken in order to prevent personal injury or property damage.
  - b. It is the user's responsibility to specify the materials of construction, set pressures and other applicable product configuration details. Specifically for rupture discs, it is the user's responsibility to specify the burst pressure rating at a coincident temperature at which the rupture disc is to be used. A rupture disc is a temperature sensitive device. The burst pressure of the rupture disc is directly affected by its exposure to the coincident temperature. Generally, as the temperature at the rupture disc increases, the burst pressure decreases, and inversely, as the temperature at the rupture disc decreases, the burst pressure may increase. Failure to properly utilize a rupture disc at the specified coincident temperature could cause premature failure or overpressurization of a system.
  - c. The instantaneous release of pressure from a rupture disc or valve can create loud noises. The Customer and/or user shall be responsible for calculating the sonic velocity and for protecting against hearing or any other damage to bystanders from this loud noise.
  - d. Particles may be discharged when a rupture disc or valve relieves pressure. Such particles may be part of the rupture disc itself or other environmental matter in the system. The Customer and/or user shall be responsible for assuring that these particles are directed into a safe area to prevent personal injury or damage to equipment or any other property damage.
  - e. There is no guarantee of product life. Such life span is affected by process media, corrosion, creep, fatigue, physical damage and maintenance of the equipment. The Customer and/or user shall be responsible for determining and providing adequate inspection and maintenance to identify product degradation that could affect product performance. (These adverse conditions could derate a rupture disc to a lower set pressure. The Customer and/or user should be prepared to handle a premature failure of a rupture disc.) The media or other environmental conditions should not allow any build-up or solidification of media to occur on a product. This may increase the pressure setting of the rupture disc or valve and/or may decrease the flow capacity of the product.
  - f. When pressure relief devices or other products used by the Customer involve assemblies incorporating or utilizing products not manufactured by Company or its subsidiaries, Company and its subsidiaries specifically disclaim any and all warranties, express or implied, and disclaim any and all liability for damages, either direct, indirect, punitive, incidental, or consequential, arising from or related to the use of that portion of the assemblies not comprised of Company or its subsidiaries' manufactured products. Company and its subsidiaries do not warrant any component not manufactured by Company or its subsidiaries.
  - g. Customer and/or its installer shall be responsible for the proper installation of Company's products into a system. Customer and/or its installer shall be responsible for improper installation and physical damage resulting therefrom, including, but not limited to, damage resulting from leakage, improper torquing and failure to follow installation instructions. The limited warranty hereinabove set forth shall not apply to any of Company's products that are improperly installed.
  - h. The Company assumes no responsibility for products modified or changed by its agent or customer, or any other third party. Any such modifications or changes to products sold by Company hereunder shall make the product limited warranty null and void.
  - i. Company shall be under no obligation to manufacture, sell or supply, or to continue to manufacture, sell, or supply any of its products.