



## TUNGALOY-NTK AMERICA, INC. ORDERS AND RETURNS POLICY

### ORDERS

All orders received are subject to a minimum \$30.00 order requirement (net distributor cost; less freight) unless exempt as noted in terms below for Drop Shipments. All orders accepted by Tungaloy-NTK America, Inc. must be accompanied by a written purchase order or in the case of verbal orders, by issuance of a confirming purchase order. Tungaloy-NTK America, Inc. reserves the right to insist on only written purchase orders prior to shipment from those customers with a history of unauthorized returns and/or repeat order changes. Only distributors with a current account status with Tungaloy-NTK America, Inc. can place orders for drop shipments.

### PACKAGING

All products will be sold in package quantities only. Inserts are packaged 10 pieces per package unless otherwise noted. Toolholders, milling cutters, and replacement parts are packaged individually unless otherwise noted.

### DROP SHIPMENTS

Tungaloy-NTK America, Inc. will accept orders from authorized stocking distributors for shipments directly to an end-user. Orders have no minimum dollar requirement per shipment when shipped Federal Express Priority or UPS Red overnight to a location within the authorized distributor's state. Order exceptions for shipments outside an authorized distributor's state require the submission to and the approval of the Tungaloy-NTK America, Inc. Divisional Manager and must demonstrate a sales history with the specified end-user. Drop shipments not shipping overnight delivery will have a minimum \$30.00 order requirement (net distributor cost; less freight). Only distributors with a current account status with Tungaloy-NTK America, Inc. can place orders for drop shipment.

### BLANKET ORDERS

Tungaloy-NTK America, Inc. will gladly accept and encourages the placement of "blanket orders" whenever possible. A blanket order will be accepted provided the purchase order placed with Tungaloy-NTK America, Inc. maintains the following criteria. All items on the order MUST be STANDARD ITEMS (no special items). The order must state FIRM release dates as well as FIRM quantities for product disbursement. All products must be released within a twelve-month period. The minimum aggregate amount of a blanket order is \$500.00 (net distributor cost; less freight). The minimum amount per release is \$100.00 (net distributor cost; less freight). Blanket orders will be processed ONLY upon the receipt of a written purchase order from the distributor. Tungaloy-NTK America, Inc. will, at the distributor's request, issue a written acknowledgement of the blanket order. CANCELLATION OR QUANTITY CHANGES TO A BLANKET WILL NEED TO BE APPROVED BY TUNGALOY-NTK AMERICA, INC. MANAGEMENT.

### SHIPMENTS

Tungaloy-NTK America, Inc. will ship ALL orders for items in stock on the same day as received provided that the order is received by our offices prior to 4:30 PM CST when shipping via United Parcel Service (UPS) and prior to 3:00 PM CST when shipping via FedEx. Orders received after that time will be shipped the next business day via United Parcel Service (UPS) whenever possible and recognized freight companies when conditions differ from UPS requirements. Special shipping means can be accommodated per customer requests.

**F.O.B.**

The F.O.B point for all Tungaloy-NTK America, Inc. products will be the Tungaloy-NTK America, Inc. Distribution Center. For those orders requiring other than the above F.O.B. point, Tungaloy-NTK America, Inc. will indicate the F.O.B. point to the customer prior to shipment for customer acceptance.

**TERMS**

All Tungaloy-NTK America, Inc. invoices are due and payable net 30 days from the issuance of our invoice. Tungaloy-NTK America, Inc. reserves the right to place a Distributor on hold if an account is severely past due. If this occurs, then Tungaloy-NTK America, Inc. may require the Distributor to pay via credit card, wire transfer, etc. until the account is in good standing. Invoices exceeding 90 days will result in immediate C.O.D. status. The placement of C.O.D. basis will be for a period not to exceed five (5) business days. Failure of a distributor to make appropriate remittances to bring the account to a current status within the above period will result in possible cancellation of the distributor's authorization to distribute Tungaloy-NTK America, Inc. products and legal collection of the outstanding monies owed.

**RETURNS**

- All products being returned must be unused, in their original packaging and in resaleable condition.
- Returns will be accepted only on items that are standard in the United States.
- Products ordered as specials and discontinued items are not returnable.
- Returns made within 30 days will be accepted without penalty.
- Returns made after 30 days will be subject to a restocking fee of fifteen percent (15%) of the original purchase price, or an offset order must be placed within the same business day.
- Product must be returned within 6 months from date of purchase.
- Tungaloy-NTK America, Inc. will issue a Return Goods Authorization number (RGA). This number must appear in a prominent position on the outside of the shipping container as well as on a packing list that must accompany the return.
- Return Goods Authorization number (RGA) is valid for 30 days.
- Only complete package quantities may be returned.
- Credits for returns will be applied to the original purchasing account number only.
- Tungaloy-NTK America, Inc. will include credit for freight on the original invoice only if return is the result of an order entry error or shipping error.
- Tungaloy-NTK America, Inc. must be advised of any shipping discrepancies within 5 days of receipt of order.
- Total returns may not exceed 5% of authorized distributors previous year sales. Previous years' sales will be measured using the calendar year.
- Tungaloy-NTK America, Inc. reserves the sole right to accept or reject a return from the customer.

**SALES AND USE TAX**

Sales and use taxes on the sale or purchase of Products covered under this Agreement shall be paid by the Distributor. In the event the Company pays these taxes, the Distributor agrees to reimburse the Company on demand.

**DELIVERY**

Unless otherwise agreed in writing, any shipping dates given by the Company shall be estimates only, and the Company shall not be liable for failure to meet such dates. Under no circumstances will the Company be liable for delays or for failure to manufacture or deliver resulting from force Majeure, Acts of God, or other causes beyond its reasonable



control, or by factory or labor conditions, fire, government orders, regulations or requests, inability to secure export license, or failures or delays in its usual sources of supply, or for consequential or special damages on account of any delay or failure to manufacture or deliver.

**WARRANTY**

The Company warrants that the Products shall be free from defects in workmanship or material for a period of sixty (60) days from the date of delivery. SAME AS AFORESAID, ALL WARRANTIES, UNDERTAKINGS AND CONDITIONS, EXPRESS OR IMPLIED BY STATUTE OR OTHERWISE, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HERBY EXCLUDED. The Company’s sole obligation with respect to the warranty contained in this clause shall be limited to refunding the purchase price of, or at its option, repairing or replacing FOB its factory, any part of any Product which proves to be defective. Any claims by Distributor must be made within sixty (60) days from the date of delivery to the Distributor, and the Company shall be the sole judge of the merits of any such claims so made. In the event that the Company decides to repair or replace any Product, the Distributor will arrange for the delivery of the defective Products to the Company’s premises. In the event that the Product is found by the Company to be defective, the Company shall bear the cost of such delivery. Under no circumstances shall the Company be liable for any direct, indirect, special or consequential damages suffered by the Distributor

**CANCELLATIONS**

The Company shall have the right, in its absolute discretion, to accept or reject any proposed cancellation of or change to any order. In the event that it elects to reject any proposed cancellation or change, the Company shall have the right to make delivery pursuant to the order and to claim the contract price from the Distributor. The Company may, in its sole discretion, permit cancellation in the event that it has not completed the manufacture of special or standard non-stocked catalog items covered by the purchase order, or if the purchase order related solely to standard stocked Products. In the event that the Company permits cancellation, the Distributor will pay the cancellation charges specified by the Company in preparing the Products for shipment pursuant to the order, and the material involved, together with the profits lost by the Company as a result of cancellation

**TEST TOOLS**

You may contact your local Tungaloy-NTK America, Inc. sales representative for test tool requests. Test Orders may also be done on a “Guaranteed test tool order”. There will be an additional 10% discount given to your normal net price on each item with your order. End username is required at the time of placing test tool order. Normal terms and conditions will apply regarding payment. Tungaloy-NTK America, Inc. invoices are due and payable net 30 days from the issuance of our invoice. Items that are new and untested can be returned for credit per aforementioned terms in return policy. If the test is unsuccessful, items can be returned with a test report. Tungaloy-NTK America, Inc. product group will review the test report and will agree or disagree to provide credit based on the tool being applied properly.

<b>Distributor</b>	<b>Tungaloy-NTK America, Inc.</b>
Name:	Name:
Title:	Title:
Date:	Date: