



## TERMS AND CONDITIONS

### TERM OF AGREEMENT

The term of this agreement commences on July 1, 2022

### DISCOUNTS

Standard Discount applies to all drop-ship orders. Stocking Discounts are only for approved stocking distributors partners on qualifying stock orders only. Qualifying stock orders are shipping to your distribution centers with a minimum of **\$1200 net**. Customer and SKU-specific contract pricing for high-volume end-user customers are available to all distributor partners. Pilot management approval is required, and contract pricing is only applied when drop shipping to the agreed-upon customer.

### PRICES AND PAYMENT TERMS

Prices are subject to change without notice. The charge for the selection of any style standard broach or bushing to a specific tolerance within the limits shown in our catalog is **\$20.00 NET**. Payment terms are Net 30 days from the invoice date. There are no early payment discounts. A finance charge of 1-1/2% per month (18% annual rate) will apply after 30 days from the invoice date. Coop & Rebates will not be credited if the distributor is on hold due to poor payment.

### MINIMUM ORDERS

We have no minimum order value on drop-ship orders. A \$10.00 handling fee will be added to all orders less than \$100.00 net.

### ACKNOWLEDGMENT

All orders will be acknowledged within 48hrs, if you do not receive an acknowledgment, please contact us to ensure we received the order. Most standard orders will be shipped and billed within 24hrs.

### FREIGHT

All shipments are F.O.B. origin. All orders are shipped via UPS Ground and insured for full invoice value unless otherwise specified. Only approved stocking Distributor Partners receive free freight with a minimum order of **\$1,200 net** shipping to your distribution centers, which can be mixed with all Pilot brands. All Keyway Broach Sets, CNC Slotters, and drop-ship orders do not qualify for free freight.

### PACKAGE DAMAGE OR ORDER DISCREPANCIES

To ensure timely processing of a claim or for product credit, Pilot customer service must be notified of any package damage or order discrepancy within 5 business days of receipt of goods.

### RETURNED GOODS POLICY

No merchandise is to be returned without prior approval from Pilot management. Return authorizations must be requested within 30 days of the invoice date. Freight charges associated with returned items are the responsibility of the distributor. No credit will be issued for products used or damaged by handling. Credit is valid for one year from the issue date and will be based on the invoiced value at the time of purchase less a 20% restocking fee.

### WARRANTY TO THE INDUSTRIAL DISTRIBUTOR

All products are warrantied to be free from defective materials and workmanship. Any such defective product will, at our option, be replaced or repaired free of charge. Our liability under all warranties, expressed or implied, shall be limited to the replacement or repair of defective products. All warranty-related freight charges will be covered by Pilot.

### SCOPE OF THESE TERMS

Unless otherwise agreed in writing, these terms constitute our obligations upon our acceptance of any order, regardless of the terms, stipulations, etc.