IDS Terms and Conditions Guide Section H

Clause Number: H512E Effective: 7/22/2005

Page: 1 of 1

H512E LATENT DEFECT

"Latent defects" are conditions resulting in noncompliance of goods or services with one or more contract requirements, which noncompliance was not discovered by Buyer during the inspection process. The existence of a latent defect is an exception to Buyer's acceptance of such goods or services.