

## General Terms and Conditions of Sale

### ORDERS & BLANKET ORDERS

All orders must include proper description, pricing, quantity and shipping requirements. Buyer must contact the Seller's head-quarters for terms and conditions associated with blanket orders.

### PRICES

Unless otherwise stated, prices are firm for thirty days. Seller reserves the right to revise price if there is a change in quantity, size, finish, or method and time shipment differing from those indicated herein. Prices and terms on this quotation and/or acknowledgement of order are not subject to verbal changes or other agreements unless approved in writing by the Seller's headquarters' staff. Unless otherwise negotiated, prices for orders for future delivery will be invoiced at the prevailing price at the time of shipment.

### DELIVERY

All material is sold and priced F.O.B. Indianapolis, IN, USA. Unless otherwise specified by the Buyer, all shipments will be made via UPS Ground.

### MINIMUM ORDER & PACKAGING CHARGES

Unless otherwise agreed upon, the minimum order billing is \$100 per shipment exclusive of shipping, insurance or other miscellaneous charges.

### PAYMENT TERMS

Payment terms are net 30 days. Seller reserves the right to hold shipments to firms with unpaid past due balances. Seller also reserves the right to charge interest at the rate of 1.5% interest per month for accounts in arrears more than 30 days. This interest will never be greater than that allowed by local law.

### TITLE

Title to material, priced at Seller's shipping point, shall pass to Buyer upon shipment. Any charges by carrier for switching, demurrage or other services shall be paid by the Buyer.

### CHANGES & CANCELLATIONS

Should Buyer desire to cancel, revise or suspend this order for reasons beyond the Buyer's control, Seller shall discuss the matter promptly with the Buyer and do all possible to make a mutually satisfactory agreement. In cases where the material has been manufactured partially or completely for Buyer's requirements, Seller will advise Buyer of charges incurred to Buyer's account.

### CLAIMS FOR DEFECTIVE MATERIALS

All material is warranted to be free from defects in quality and workmanship, and to meet the specifications to which ordered. The Seller's obligation under this warranty is limited to repairing or replacing defective material, or crediting the Buyer with the price of the defective material. If Buyer believes the material to be defective, Buyer must notify Seller within 30 days after delivery. Seller has the right to inspect any goods before determination of a reasonable settlement. Toward this end, Buyer must contact Seller's headquarters requesting a formal Return Material Authorization (RMA). An RMA issued by the seller is valid for 30 days, products must be returned within the 30 days. Seller will not accept any material returns without reference to the RMA number of the Buyer's returned goods packing list.

### ORDERS FOR NON-STANDARD/SPECIAL ITEMS

Unless otherwise negotiated and confirmed in writing by the Seller, orders for non-standard and special items made to the Buyer's specifications are non-cancelable. Seller reserves the right to bill Buyer for materials purchased for the production of such items, and for all goods fully or partially manufactured at the time of notice of the Buyer's desire to cancel the order.

### SPECIAL TOOLING

Special tooling required and paid for by the Buyer shall become the property of the Buyer. Where such tooling incorporates trade secrets, it shall be held in perpetuity at the manufacturer's premises for the exclusive use of the Buyer.

### GENERAL

All agreements are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond the Seller's control. Typographical, accounting and other administrative errors are subject to correction. Buyer assumes the liability for patent and copyright infringement for goods made to Buyer's specifications. When Buyer furnishes material for use in production, ample allowance must be made for reasonable spoilage. Such materials must be of suitable quality to facilitate efficient production. Conditions not specifically stated herein shall be governed by established trade customs. Terms inconsistent with those stated herein that may appear on the Buyer's formal order will not be binding on the Seller.

### SUSPENSIONS & CANCELLATIONS

Unless otherwise negotiated and agreed to by the Seller, the Buyer must accept final and/or complete delivery on all orders within 90 days from date of first shipment. Should the Buyer fail to accept the complete order within this or the negotiated period for order, the Seller reserves the right to cancel the order and re-bill the Buyer at the price schedule covering the total quantity of parts shipped through the date of cancellation.

### WARRANTY AND LIMITATIONS OF WARRANTY:

SCHMERSAL INC. agrees to replace or repair products which have been found defective due to workmanship or material. This warranty is made only for a period within 18 months of the date of the invoice to the Buyer. This warranty applies to products which have been subjected to normal and proper usage, and to which inspection of the product by the seller shows it to be thus defective. Buyer must contact Seller's headquarters requesting a formal Return Material Authorization (RMA) in which a detailed description of the failure or defect is required. An RMA issued by the seller is valid for 30 days, products must be returned within the 30 days. The agreement to repair or replace such a product is limited to F.O.B. shipping point and is in no way a liability for damages; direct or consequential, or for delays, installation, transportation, adjustment or other expenses arising in connection with such product. The seller is not responsible in this warranty for product which is repaired or altered. Nor is the seller responsible in this warranty for products subject to misuse, negligence, or accident. SCHMERSAL INC. is in no way liable or responsible for injuries or damages to persons or property arising from or out of use of the product within described specifications. Except for the warranty herein before stated, there are no express warranties and no implied warranties of merchantability or fitness for a particular purpose, other than those expressly set forth above. This limited warranty is in lieu of and excludes all other representations made, both express and implied, unless set forth in writing and signed by an authorized executive of SCHMERSAL INC.