

TERMS & CONDITIONS OF SALE

1. Quotations

- a. Quotations automatically expire 30 (thirty) calendar days after quotation date and are subject to termination or modification by written notice within that period.
- b. Clerical, estimating and other errors by Seller are subject to correction.

2. Sales and Other Taxes

- a. Seller's quoted or published prices do not include any present or future sales tax, use tax, excise tax or duty of any nature whatsoever unless specifically stated otherwise.
- b. On sales to Ohio Buyers, Seller is obligated to charge, collect and remit Sales Tax to the State of Ohio, unless a valid exemption certificate is submitted to Seller by Buyer. Such Sales Tax shall be added to the invoice and must be paid by the Buyer to the Seller.
- c. On sales to Buyers outside the State of Ohio, it is the Buyer's obligation and responsibility to remit any such taxes or duties when due, directly to applicable governmental tax agencies. Seller will not show or include such taxes or duties on any quotations or invoices; if any such taxes or duties are remitted to Seller, even though not billed, such payment will not be forwarded to the agencies involved but will be returned to or credited to the Buyer.

3. Prices and Minimum Charges

- a. Prices and discounts are subject to change without notice.
- b. Price information published in catalogs or price lists is not a definite offer to sell. Such prices should be confirmed before relying on them.
- c. All orders are shipped F.O.B. Lake Shore Electric (Bedford, Ohio) with freight cost billed collect to the Buyer.
- d. In the event of price increases, the price of equipment on order but unshipped will not be increased for a period of ninety (90) days, provided all equipment on order is released for shipment within the ninety (90) day period. After 90 days, the price will be adjusted upon shipment to reflect the price increase but in no case will the increase exceed 15% per annum.
- e. Minimum order and billing charge is fifty dollars (US) (\$ 50.00) on domestic shipments and one hundred dollars (US) (\$100.00) on shipments to points outside the United States.

4. Credit, Terms of Payment and Service Charges

- a. Upon Seller's request, Buyer must promptly supply all credit information requested so that satisfactory credit can be established by the Seller.
- b. Terms of payment are thirty (30) days from date of invoice, for those customers to whom credit has been established.
- c. Pro-rata payments shall become due as partial shipments are made and invoiced. No percentage of any invoice may be withheld as a retainer, or other set-off, without written consent of the Seller.
- d. If Buyer's financial condition at any time is not satisfactory to Seller, if payments due to Seller are in arrears over sixty (60) days, Seller reserves the right to suspend work on current orders, and/or to withhold shipment of completed equipment, and to require complete payment of all amounts in arrears, plus full or partial payment in advance for work in process. In the event of such suspension of work, or withholding of shipment, Seller shall be held harmless from any damages that result due to delays on the job.
- e. A service charge of 2% per month will be added to any unpaid balance, past due.

5. Order Acceptance

- a. Orders accepted by Seller are subject to these Conditions of Sale.
- b. The Buyer shall process no order until Seller receives a bona fide signed Purchase Order .
- c. All orders accepted by our sales representatives are subject to approval at the home office in Bedford, Ohio.

6. Cancellations or Returns

- a. Orders placed cannot be cancelled or changed without express consent of Seller in writing, and shall be subject to payment by Buyer to Seller for any losses, engineering and/or fabrication costs, or any other expenses incurred by Seller by reason of such cancellation or change.
- b. Material cannot be returned by Buyer to Seller without express written consent and authorization of Seller in writing. Standard shelf-good items, if authorized for return, shall be subject to a restocking and handling charge of twenty percent (20%). Custom-built items, duly authorized to be returned, shall be accepted for return or credit only to the extent of value to Seller in each individual case. No credit shall be issued to other than the original Buyer. Minimum restocking charges for custom-built items shall be fifty percent (50%).



7. Shipping Dates and Penalty Clause

- a. Shipping dates quoted or promised are based on Seller's (1) best estimates; (2) prompt receipt of all necessary information from Buyer.
- b. All promises as to date of shipments are made in good faith and the Seller will endeavor to keep such promises by taking every reasonable precaution in the placing of its orders and obligating the component manufacturers in every way possible to insure their carrying out their agreement. But, since all manufacturers in accepting orders specifically deny any liability for consequential damages, this proposal is made with the distinct understanding that we are not held liable for damages of any character whatsoever consequential upon delays in shipments unless in particularly cases where the measure of damage is covered by special agreement and in such cases delays due to strikes, fires, delays in transportation and other causes beyond Lake Shore Electric's reasonable control must be understood as entitling us to corresponding extensions of time.
- c. Seller will not accept any liability arising from penalty or liquidated damages clauses of any kind, written or implied, unless specifically approved in writing by an officer of the Seller at the time the order was accepted.

8. Storage Charges and Delayed Shipments

- a. If equipment is manufactured and completed in accordance with Buyer's delivery date instructions and delivery is delayed or deferred by Buyer, for the convenience of Buyer, the equipment will be invoiced on the date of completion and terms of payment shall apply from the invoice date.
- b. Seller reserves the right to either store such equipment in its factory or in a commercial warehouse, at the risk and expense of the Buyer, and Buyer shall be liable for any other expenses incidental to such delay or storage.

9. Warranty and Limits of Liability

- a. The Seller warrants its products to be free from defects in material or workmanship over a period of one (1) year from date of shipment or one (1) year from date of startup. In no case shall warranty length exceed eighteen (18) months from date of shipment. Also, no warranty shall be extended or recognized on any equipment for which full payment has not been received.
- b. If, within one (1) year after shipment, it shall be proved to Seller's satisfaction that the equipment does not meet the above warranty, and if Buyer promptly advises Seller in writing, Seller will make necessary corrections free of charge F.O.B. works where manufactured. Such necessary corrections constitute the full extent of Seller's warranty. There are no warranties which extend beyond those described herein.
- c. Seller does not warrant any equipment of other manufacturers designated or furnished by Buyer.
- d. Seller is not responsible for damage to its equipment through acts of God, improper installation or use, unauthorized repair or modifications, or attempts to operate it above its rated capacities or in abnormal environments.
- e. In no event, whether as a result of breach of contract, failure to meet conditions of any warranty or shipping schedule, or otherwise, shall Seller be liable for any special, incidental or consequential damages, including but not limited to, loss of profit or revenues, loss of good will, damage to associated equipment, cost of capital, cost of substitute products, facilities, service or replacement power, cost of downtime or claims of Buyer's customers for such damages.
- f. If Seller furnished Buyer with any assistance or advice concerning any equipment supplied, the furnishing of such assistance or advice shall not subject Seller to any liability, whether in contract, warranty, tort (including negligence) or otherwise.
- g. As we take great care in packing our apparatus and employ only experienced personnel for this purpose, we cannot be held responsible for breakage after having received "in good order" receipts from the transportation company, all claims for breakage and damage should be made to carriers but we will be glad to render customer assistance in securing satisfactory adjustment of such claims.
- h. In order to maintain this warranty, Buyer must perform all "required maintenance" as described in the Operating and Maintenance Manual that accompanied the equipment furnished by Lake Shore Electric Corporation.
- i. The foregoing warranty is exclusive and is in lieu of all other warranties, whether written, oral, implied or statutory. No warranty of merchantability or of fitness for purpose shall apply.

10. General

- a. All designs and specifications shown in Seller's catalog are subject to change without notice.
- b. All equipment shall be installed by Buyer at the expense of the Buyer.
- c. Failure of Seller to insist on strict performance of any of the terms and conditions herein, shall not be deemed a waiver of any rights or remedies which Seller may have, hereto under or by law.
- d. Custom fabricated control equipment is built per information provided to the Seller by the Buyer. It is the Buyer's responsibility to review and approve all drawings and designs before fabrication begins. If the Buyer elects to waive drawing approval, the Buyer assumes responsibility for the correct operation of the equipment.
- e. Where special designs, engineering or drawings are required to fabricate a special control system, these drawings shall remain the property of the Seller unless the Buyer has made previous arrangements to purchase these designs.

