

Terms & Conditions of Sale

ORDER ACCEPTANCE:

All orders must be in writing and are subject to acceptance by SELLER at its principal office.

PAYMENT:

Payment is due net thirty (30) days from date of invoice.

PRICES:

Prices are based on products made to SELLER'S standard manufacturing tolerances. Prices of products are subject to change prior to shipment. SELLER reserves the right to change prices on Buyer's orders to those prices in effect at time of shipment.

FREIGHT ALLOWANCE:

Prices are Ex-Works SELLER's dock, freight allowed on any single purchase order of \$10,000 or more (if the order is solely for parts or if the order is solely for products consisting of equipment and accessories), via lowest common carrier to nearest freight station within continental U.S.A. In addition, Prices are Ex-Works SELLER's dock, freight allowed for multiple orders of less than \$10,000 (if the orders are solely for parts or if the orders are solely for products consisting of equipment and accessories) for which the Buyer schedules consolidation into one shipment equal to or greater than \$10,000 on the same day to one freight station within continental U.S.A. If special routing is requested for such a purchase order of \$10,000 or greater (contract haul, requested flatbed delivery, appointment to meet a crane, etc.), Buyer will be assessed a charge for the difference between such routing and normal minimum freight charge to such point. A purchase order less than \$10,000 or which doesn't meet the \$10,000 criteria or a purchase order that meets the \$10,000 criteria but with shipments to multiple ship-to locations will be shipped Ex-Works SELLER's dock, no freight allowed. Buyer will pay ALL costs associated with the shipment of parts and any orders that are shipped via air freight or expedited delivery. Shipments to destinations outside of the continental U.S.A. will incur charges for the additional cost of transport beyond the U.S.A. border.

DELIVERY:

Any delivery dates which may be indicated herein are estimates only and are not guaranteed.

Unless otherwise agreed, delivery shall be Ex-Works SELLER's dock. As to those products for which SELLER maintains manufacturing facilities in different locations, the point of manufacture will be at SELLER's discretion. SELLER shall be excused for any delay in deliveries or other performance failures due to acts beyond its control, including, but not restricted to, Acts of God or of the public enemy, acts of the Government of the United States or another country, including any preference priority or allocation order, or of any state, territory or possession thereof of any political subdivision or authority or representative of any of them, strikes, lockouts or labor troubles, embargoes, fires, floods, epidemics, quarantine restrictions, explosions, sabotage or other catastrophes or serious accidents, freight embargoes, unusually severe weather, and delays of a subcontractor or supplier due to any such causes.

CREDIT APPROVAL:

If, during the performance hereof, the financial responsibility of Buyer is determined at the sole discretion of SELLER's Credit Department to be unacceptable or if Buyer fails to make any payments in accordance with the terms hereof, then in any such event, SELLER may defer or decline to make any shipments hereunder except upon receipt of satisfactory security or cash payments in advance or SELLER may terminate this order without further obligations of SELLER to Buyer.

TAXES:

Any direct or excise tax which may now or hereafter be imposed by any governmental unit upon the manufacture, sale, or delivery of the goods covered by these terms and conditions may be added by SELLER to the purchase price of such goods, and if so added, shall be paid by the Buyer.

PATENTS:

If any product shall be manufactured and/or sold by SELLER to meet Buyer's particular specifications or requirements, and is not part of SELLER's standard line offered by SELLER to the trade generally, Buyer agrees to indemnify SELLER and hold it harmless from liability, as well as from all costs and expenses, in the event of any claim of patent infringement, whether direct or contributory, arising out of the manufacture of sale of such product, so long as the infringement or claimed infringement does not arise from the combination of the product with anything not provided by SELLER and Buyer promptly notifies SELLER of any such claim and fully cooperates with SELLER.

CANCELLATION OF ORDER:

Partial or total cancellations of this order by Buyer may be made only upon SELLER's written consent and on condition that SELLER shall be promptly paid an amount determined by SELLER to reimburse it for the costs, losses and expenses resulting from such cancellation. In addition, if Buyer does not release products for shipment within a reasonable time after the date of their manufacture or assembly, SELLER may cancel the order and Buyer agrees to promptly pay SELLER an amount determined by SELLER as liquidated damages and not a penalty, up to twenty percent of the price of the products, to reimburse SELLER for its costs and losses.

RETURN GOODS:

No products shall be returned without SELLER's written permission. Products authorized in writing for return shall be subject to handling and restocking charges determined by SELLER and transportation costs, which Buyer agrees to promptly pay.

PRODUCT CHANGES:

SELLER reserves the right to change specifications, design and material in the interest of product improvement, without incurring obligation to the Buyer.

The terms and conditions of an order, which shall include these terms of sale, shall constitute the sole and exclusive agreement between SELLER and Buyer. No waiver of any provision hereof shall constitute a waiver of any other breach or of such provision. Buyer shall comply with all applicable laws, including all export-related laws. The internal laws of the State of Georgia, USA, shall apply.

CLAIMS:

Risk of loss or damage shall in every case pass to Buyer at SELLER's dock. SELLER shall have no responsibility for any claimed shortages or damages. Buyer must (I) notify SELLER of shortages or damages within ten (10) days after receipt of the product; (II) notify agent or carrier within such time of shortage or damage; and (III) file claim with the carrier for the damage or shortage claimed.

WARRANTIES:

SELLER's standard published catalog products warranty ("Warranty"), which is subject to the exclusions and limitations stated in the Warranty, applies to the products and is incorporated into these terms of sale and SELLER's performance of the Warranty is the exclusive remedy of BUYER. SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, ORAL OR WRITTEN, RELATED TO THE GOODS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL HAVE NO LIABILITY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING ANY LOSS OF PROFIT, AND SELLER'S LIABILITY FOR DIRECT DAMAGES IS LIMITED TO THE AMOUNT PAID BY THE BUYER FOR THE PARTICULAR ITEM OR PART INVOLVED. SELLER OFFERS A NON-TRANSFERABLE OPTIONAL EXTENDED 3- OR 4-YEAR EXTENDED COMPRESSOR WARRANTY IN THE US AND CANADA FOR AN ADDITIONAL COST.

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1. All orders must be in writing. Manufactured-to-order production will not commence unless a written order is provided.
2. Tax Exemption Certificates must be provided for ship-to designated states, or applicable taxes will be added to invoice.
3. Three- or Four-Year Extended Compressor Warranty (Optional and subject to terms):
 - Available within the boundaries of the United States of America, its Territories and Possessions, and Canada, and is not assignable.
 - Replacements through authorized compressor distributors only.
 - within the period of the Warranty - warranty by distributor.
 - three or four years after end of period of the Warranty - supply proof-of-purchase of new compressor to Heatcraft Refrigeration Products Warranty Claims for reimbursement.

Orders In-Warranty Replacement

In those instances where it is necessary for our customers to place in-warranty orders, some standard information must be provided when the order is placed with the Customer Service Specialist, or with Warranty Claims personnel.

- Complete model and serial number of unit involved.
- Original purchaser of equipment, original invoice number or acknowledgment number. If information is not available, further research will be necessary to validate warranty.
- Start-up date of the equipment involved.
- Failure date of the part which is being replaced.

In those instances where the defective item was a stock replacement, the model and serial number of the original unit are not required. Service parts for products out-of-original warranty are warranted for a period of one (1) year from date of original installation or eighteen (18) months from date of shipment by SELLER.

At the time the order is placed with the Customer Service Specialist, a determination will be made if the defective material should be returned.

An invoice will be issued to the customer for the replacement material with a notation concerning if the material can be "field scrapped" or if return to the plant of manufacture is required.

Warranty Claims will process a credit memo offsetting the amount of the invoice, plus any surface freight charges. The warranty in effect for equipment and/or parts does not cover the cost of special freight terms.

Service Policy and In-Warranty Field Repair

Service Policy

The following outline of the Service Policy of SELLER is a complete explanation as to the purpose and administration of the policy.

Field Service Engineers are available for troubleshooting problems related to SELLER's manufactured products only. All requests for on-site assistance in diagnosing service problems will be scheduled at the discretion of the Service Department and only after previous attempts to diagnose equipment problems through direct communications with the installing or servicing agencies have failed.

Advance notice will usually be required to arrange an on-site inspection of the equipment installation by a Field Service Engineer, if SELLER determines that is needed, and the scheduling of the on-site inspection will be subject to the Field Service Engineer's availability. A purchase order from the original customer will be requested and must be on file with the SELLER's Service Department prior to scheduling of the Field Service Engineer. If the Field Service Engineer's inspection indicates the problem is due to installation, service, misapplication, or any situation that is beyond Heatcraft Refrigeration Products' control, the SELLER will invoice the customer against this purchase order at the rate established annually by SELLER (currently, \$700.00 per day) with a two (2) day minimum charge plus all related travel, lodging, sustenance, and incidental expenses. However, should the inspection reveal that the problem is due to deficiencies in material or workmanship by SELLER, no charges will be owed.

In the event that a Field Service Engineer is dispatched to a job site, it is mandatory that a representative of the customer and/or contractor be present at all times while the Service Engineer is on-site. Additionally, all actual service work must be performed by a qualified licensed refrigeration service technician equipped with the appropriate tools and test instruments. Advance arrangements should be made between the customer and SELLER and communicated to all of the appropriate parties. If this condition is not met, it is at SELLER's discretion as to whether the Field Service Engineer will continue with the job site inspection.

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In-Warranty Field Repair

In some cases where the SELLER believes the customer may be better served, on-the-job repair may be authorized in writing at actual cost for appropriate repair. Specific information must be provided to the Service Department including the complete model and serial number of the equipment involved along with the actual start-up date of the equipment and the name of the original customer and a breakdown of estimated costs to repair. When authorization is given by SELLER personnel, a Field Repair Authorization Number will be issued for an approved, qualified licensed technician to conduct the repairs. This number will reference the estimated costs of repairs plus all pertinent information concerning the equipment. After completion of the repairs, the original service invoice should be sent to SELLER's Field Sales Representative, along with copies of any additional documentation required. The invoice must be complete, showing SELLER as the customer, with a brief description of all work performed, an itemized breakdown of labor and material, along with the model and serial number of the equipment. The Field Repair Authorization Number should also be noted.

When warranty coverage for repairs is expected from SELLER, the repairs should never be performed without prior written authorization from the Service Department (except during periods of extenuating circumstances which may preclude prior contact). In those instances when field labor is performed without the Service Department's prior written approval, reimbursement may, or may not be allowed. Our normal policy for reimbursement is by credit memo to the original purchaser. Repair or replacement of the product in these instances shall be the sole responsibility of the customer in each case. Repairs to products determined to be beyond the Standard Warranty period will be at the discretion of the customer or end user.

Recap of Returned Goods Policy for Field Distribution

Returned Goods Policy

- **Contact your Sales Representative or the Warranty Claims Department for prior authorization. No product will be accepted for credit without a properly completed authorization tag. The Return Material Authorization (RMA) Number must be marked clearly on the outside of the carton and a copy of the RMA should accompany the returned material.**
- **MANUFACTURED-TO-ORDER (NON-STOCK) UNITS ARE NOT ELIGIBLE FOR RETURN.**
- Goods requested to be returned for restock to Heatcraft Refrigeration Products' inventory must be in a new, unused, and salable condition, in the original cartons, and less than one year from the original invoice date.
- If an item has been field scrapped, no RMA is needed.
- Warranted units and/or parts found to be defective upon Seller's examination will be repaired or replaced. Heatcraft Refrigeration Products will require the following:
 - Complete model and serial number of the unit.
 - Start-up date of unit and failure date of unit.
 - Original invoice or acknowledgment number along with the original equipment purchaser's name.
- If an advance replacement is needed, contact your Customer Service Specialist.
- Goods must be returned prepaid (unless authorized otherwise) within 60 days of date on RMA. Failure to return goods within sixty (60) days may result in:
 1. Refusal of materials.
 2. Loss of credit.