

PRODUCT WARRANTY

SIMPLEX, Inc., warrants the industrial electrical control, test and accessory equipment and parts and accessories thereof to be the kind and quality described in Simplex's specifications and to be free from defects in material or workmanship under normal service, its obligations under this warranty being limited to repairing or replacing, at its option, any part or parts which shall, within twelve (12) months from date of shipment from its factory, as indicated by serial date code on the nameplate or sales records, be returned to Simplex or an authorized Simplex repair station, with transportation costs prepaid, and which its examination shall disclose to its satisfaction to have been thus defective.

The provisions of this warranty shall not apply to any equipment, part or accessory which

- (a) has been improperly specified by buyer;
- (b) has been improperly stored or handled prior to placing in service;
- (c) has been improperly mounted or connected;
- (d) has not been operated within specifications stated on its nameplate, label or placard;
- (e) has not been properly maintained;
- (f) parts supplied by buyer for inclusion in finished equipment are not covered by this warranty;
- (g) components or assemblies specified by buyer with no substitution permissible that are not normally used by Simplex.

Simplex reserves the right to reject warranty claims of any kind against assembled equipment, parts or material for which Simplex has not received payment in full.

Should buyer, at his own risk, elect to replace defective equipment or parts in the field rather than return equipment to Simplex's factory or authorized repair station, Simplex will supply and invoice parts at normal prices upon receipt of buyer's bonafide purchase order. Defective equipment or parts returned for in-warranty crediting in exchange for replacement parts must be returned within 45 days from date of shipment of replacement in order to qualify for warranty consideration. Defective equipment or parts returned after 45 days may be subject to a restocking charge of 20% or a minimum charge of \$50.00 whichever is greater.

This warranty is in lieu of all other warranties, express or implied, and all other obligations or liabilities on the part of Simplex, and Simplex neither assumes nor authorizes any other person to assume for it any other liability in connection with any such electrical control, test or accessory equipment or accessories or parts.

CONDITIONS OF SALE

The following conditions apply without exception unless such exception is made in writing and signed by an officer of Simplex. Simplex will, at its option, sell or rent technical industrial equipment or parts thereof or material only on condition that buyer assumes responsibility for correct specification, storage, installation, field adjustments when normally required, testing and appropriate training of users technically competent personnel before release to user and that any malfunction or failure of Simplex supplied material will be reported to Simplex immediately and that no backcharges of any nature will accrue to Simplex, without the express written consent of Simplex.

Quotations. Unless specifically stated otherwise, price quotations are based on standard pricing, handling, delivery and warranty. Substantial alterations in details or intent of Simplex's quotations on buyer's purchase order, subject buyer to additional charges based on increased cost incurred by Simplex. Written quotations are firm for 60 days unless otherwise noted. Acceptance of orders based on oral quotes, published literature or written quotations older than 60 days are subject to approval by an officer of Simplex. Delivery dates are the best estimated as of date of issue.

We reserve the right to correct and/or reject quotations made on our behalf by our Sales Representatives or Agents.

Unless otherwise advised in writing by seller a minimum 10% down payment on non-standard, special equipment, quoted to customer specification will be required prior to approval drawings being supplied. In event of order cancellation this down payment is non-refundable.

Progress payments maybe required on high value special equipment. Such payments would required 10% down payment to cover engineering costs, 25% payment upon receipt of customer release to production to cover material costs and balance as determined by Simplex's Finance Department. These payments are non-refundable in event of order cancellation or customer default.

Delays in manufacturing or delivery. Seller shall not be held liable for delay in manufacturing or delivery occasioned by causes beyond our control. In no event shall we be liable for any consequential damages or claims for labor resulting from failure or delay in delivery.

Prices. All prices are f.o.b. Springfield, Illinois, with buyer paying all freight costs, unless allowed in written quotation. Prices and other published data are for reference purposes only and do not imply availability of product. Prices are subject to change without notice and prices in effect at the time of shipment will apply to new orders and unreleased existing orders unless otherwise quoted in writing.

Minimum billing. A minimum billing of not less than \$75 will apply to all orders. Minimal fees to offset in part extra costs incurred during order entry process, special services as ordered by customer, shipping processes and collection efforts will be charged where applicable.

Taxes. Published or quoted pricing does not include any federal, state or local taxes. Buyer should report any federal, state, or local taxes as may be required by local law.

Penalty clauses. Unless specifically accepted in writing by Simplex, price quotations do not include participation by Simplex in any penalties or damages incurred by buyer.

Acceptance of orders and contracts. All orders must be bonafide contracts detailing complete description of material ordered, included technical specifications as quoted by Simplex, price, terms, delivery, shipping instructions, etc. Simplex's failure

to object to any provisions contained in buyer's order or any other communications shall not constitute a waiver of Simplex's terms and conditions not acceptance of such provisions. No order shall be considered accepted unless acknowledged in writing by Simplex.

Terms of payment - purchase material. Net cash U.S. funds 30 days from date of invoice, which shall be the same as date of shipment from our factory, to approved open account customer. All other orders are cash in advance or COD. Material ordered to ship on a given date and later ordered by buyer to be held for later shipment will be invoiced on date shipment originally scheduled or on date material becomes available for shipment, whichever occurs later, and terms of payment will apply from that invoice date. No cash discounts are allowed. Storage and handling charges will accrue to purchaser.

Terms of payment - rental equipment or field service. Payable upon receipt of invoice in U.S. funds to approved open account customers. In other cases, payment by cash in advance, COD or security deposit.

Service charges. Service charges of 1.5% per month on the unpaid balance apply from 31st day after invoice date. Failure to pay such charges as billed may result in suspension of open account terms.

Cancellation. Upon acceptance by Simplex your order will be entered for production and will not thereafter be subject to cancellation or deferment of delivery schedule without written consent from Simplex. Any expenses already accumulated by Simplex due to cancellation of an order or the extra expense of deferment of a delivery schedule will be borne by customer.

Packing and marking. Prices include our standard packing and marking for domestic shipment within the continental U.S. Additional expenses incurred for special packing and marking as specified by buyer will be paid by the buyer. No allowance in lieu of packing will be made if buyer accepts material unpacked at our factory or authorized service station.

Shipping weights. Published shipping weights are approximate and are provided only for estimating freight costs.

Shipments. Shipments will be made best way surface unless otherwise specified by buyer. Responsibility for lowest cost and fastest means shipping method is buyer's and details are to be specified in the buyer's purchase order. Simplex's responsibility ceases when the carrier signs for and accepts shipment and claims for nondelivery of material or damage, should be filed with carrier by buyer.

Returning material. Written authorization to return material for credit or repair or replacement must be obtained from Simplex. Such returns are subject to restocking, exchange or repair charges with all transportation charges paid by buyer and are subject to acceptance by Simplex. Simplex, at its option, will apply credited amounts to buyers account, current or future balances, or issue cash refund.

Drawings. One copy of standard drawings, wiring diagrams and instruction manual conforming to Simplex's standard practices will be furnished per unit purchased at no charge. Prices quoted upon request for special drawings or additional copies of standard drawings and instruction manuals.

Warranty. Simplex warrants new industrial equipment or parts or material to be the kind and quality described in Simplex's specifications and to be free from defects in material or workmanship under proper conditions of application and use for period of 12 months. SEE WARRANTY FORM 4A2653BS.