

#### **Terms 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 F.O.B. shipping point, freight allowed on any single purchase order of \$5,000 or more, via lowest common carrier to nearest freight station within continental U.S.A. In addition, Prices are F.O.B. shipping point, freight allowed for multiple orders of less than \$5,000 for which the Buyer schedules consolidation into one shipment equal to or greater than \$5,000 on the same day to one freight station within continental U.S.A.. If special routing is requested for a purchase order of \$5000 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 \$5,000 or a purchase order that meets the \$5,000 criteria but with shipments to multiple ship-to locations will be shipped F.O.B. shipping point, 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 F.O.B. shipping point. 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 due to acts beyond its control and not due to its fault or negligence, including, but not restricted to, Acts of God or of the public enemy, acts of the Government of the United States, 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 nay 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 Federal or State Government or any subdivision thereof upon the manufacture, sale, or delivery of the goods covered by this order 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.

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 reimbursed for all losses and damages resulting from such cancellation.

RETURN GOODS: No products shall be returned without SELLER's written permission. Products returned shall be subject to a handling charge and transportation costs.

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 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.

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

#### **Catalog Products Warranty**

SELLER warrants to its direct purchasers that products, including Service Parts, manufactured by SELLER shall be of a merchantable quality, free of defects in material or workmanship, under normal use and service for a period of one (1) year from date of original installation, or eighteen (18) months from date of shipment by SELLER, whichever first occurs. Any product covered by this order found to SELLER's satisfaction to be defective upon examination at Seller's factory will at SELLER's option, be repaired or replaced and returned to Buyer via lowest common carrier, or SELLER may at its option grant Buyer a credit for the purchase price of the defective article. Upon return of a defective product to SELLER's plant, freight prepaid, by Buyer, correction of such defect by repair or replacement, and return freight via lowest common carrier, shall constitute full performance by SELLER of its obligations hereunder.

SELLER shall have no liability for expenses incurred for repairs made by Buyer except by prior, written authorization. Every claim on account of breach of warranty shall be made to SELLER in writing within the warranty period specified above - otherwise such claim shall be deemed waived. SELLER shall have no warranty obligation whatsoever if its products have been subjected to alteration, misuse, negligence, free chemicals in system, corrosive atmosphere, accident, or if operation is contrary to SELLER's or manufacturer's recommendations, or if the serial number has been altered, defaced or removed

Motor compressors furnished by SELLER are subject to the standard warranty terms set forth above, except that motor compressor replacements or exchanges shall be made through the nearest authorized wholesaler of the motor compressor manufacturer (not at SELLER's factory) and no freight shall be allowed for transportation of the motor compressor to and from the wholesaler. The replacement motor compressor shall be identical to the model of the motor compressor being replaced. Additional charges which may be incurred throughout the substitution of other than identical replacements are not covered by this warranty. An optional, non-assignable, four-year extended compressor warranty may be purchased within the boundaries of the United States of America, its territories and possessions, and Canada. With this extended compressor warranty, replacements are administered by an authorized compressor distributor only. Replacements within the first year of the warranty area available through the distributor; the second through fifth years, the purchaser must submit a proof-of-purchase of a new compressor and supply it to Heatcraft Refrigeration Products Warranty Claims for reimbursement.

THE FOREGOING IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, NOTWITHSTANDING THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE, THE MAGNUSON-MOSS WARRANTY - FEDERAL TRADE COMMISSION IMPROVEMENT ACT, OR ANY OTHER STATUTORY OR COMMON LAW, FEDERAL OR STATE.

SELLER MAKES NO WARRANTY, EXPRESS OR IMPLIED, OF FITNESS FOR ANY PARTICULAR PURPOSE, OR OF ANY OTHER NATURE WHATSOEVER, WITH RESPECT TO PRODUCTS MANUFACTURES OR SOLD BY SELLER HEREUNDER, EXCEPT AS SPECIFICALLY SET FORTH ABOVE AND ON THE FACE HEREOF. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT SELLER SHALL NOT BE LIABLE TO BUYER, OR ANY CUSTOMER OF BUYER, FOR DIRECT OR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PENAL DAMAGES, OR FOR ANY EXPENSES INCURRED BY REASON OF THE USE OR MISUSE BY BUYER OR THIRD PARTIES OF SAID PRODUCTS. TO THE EXTENT SAID PRODUCTS MAY BE CONSIDERED "CONSUMER PRODUCTS," AS DEFINED IN SEC. 101 OF THE MAGNUSON-MOSS WARRANTY - FEDERAL TRADE COMMISSION IMPROVEMENT ACT, SELLER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, TO "CONSUMERS," EXCEPT AS SPECIFICALLY SET FORTH ABOVE AND ON THE FACE HEREOF.

## **Terms and Conditions**

- 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. Stock items may be cancelled prior to shipment without penalty. Manufactured-to-order items may incur up to 100% of purchase price for cancellation.
- 4. Standard Catalog Warranty For Products and Service Parts:
  - SELLER warrants to its direct purchasers that products, including Service Parts, manufactured by SELLER shall be of a merchantable quality, free of defects in material or workmanship, under normal use and service for a period of one (1) year from date of original installation, or eighteen (18) months from date of shipment by SELLER, whichever first occurs.
- 5. Four-Year Extended Compressor Warranty (Optional):
  - 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 first year warranty by distributor.
  - -- second through fifth year 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.

### **Cancellation of Order**

Orders for stock items may be cancelled up until the point of shipment at no penalty. For any built-to-order product, if Buyer has not released such product for shipment within six (6) months of the date of manufacture of such product, SELLER may cancel the order for such product and Buyer shall promptly pay SELLER, as fixed, agreed and liquidated damages and not as a penalty, a sum equal to twenty percent (20%) of the net price of such product, as listed on SELLER's order confirmation for such product, because SELLER's actual costs in the event of such cancellation will be impossible to determine.

#### Form 7-1042

## Service Policy and In-Warranty Field Repair

## **Service Policy**

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

Field Service Engineers are available for troubleshooting problems related to Heatcraft Refrigeration 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.

A minimum of two (2) weeks advance notice will be required to arrange an on-site inspection of the equipment installation once it has been deemed necessary to dispatch a Field Service Engineer. Prior to the actual scheduling of the trip, a purchase order from the original customer will be requested and must be on file with the Service Department prior to departure 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, Heatcraft Refrigeration Products will invoice the customer against this purchase order at the rate of \$550.00 per day (with a two (2) day minimum charge) plus all related travel, lodging, sustenance, and incidental expenses. Should the inspection reveal that the problem is due to deficiencies in material or workmanship by Heatcraft Refrigeration Products, all charges will be forfeited.

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 refrigeration service technician equipped with the appropriate tools and test instruments. Advance arrangements should be made between the customer and Heatcraft Refrigeration Products and communicated to all of the appropriate parties. If this condition is not met, it is at Heatcraft Refrigeration Products' discretion as to whether the Field Service Engineer will continue with the job site inspection.

## **In-Warranty Field Repair**

In some cases where Heatcraft Refrigeration Products feels the customer may be better served, on-the-job repair may be authorized 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 Heatcraft Refrigeration Products personnel, a Field Repair Authorization Number will be issued. 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 Heatcraft Refrigeration Products' Field Sales Representative, along with copies of any additional documentation required. The invoice must be complete, showing Heatcraft Refrigeration Products 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 Heatcraft Refrigeration Products, the repairs should never be performed without prior 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 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.

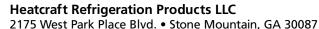
# Recap of Returned Goods Policy for Field Distribution

## **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.
- All returns that are the responsibility of the customer will be subject to a restocking charge as follows:

## MINIMUM 20% RESTOCKING CHARGE WITH A MINIMUM \$50.00 CHARGE

- 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.



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