

Terms and Conditions of Sale – Yorkland Controls Ltd.

These general terms and conditions of sale only apply to direct sales by Yorkland Controls Ltd.

(SELLER) or its affiliates. Sales by appointed distributors and other independent authorized resellers will be subject to terms and conditions of sale as may be separately established by each such distributor or reseller. Sales outside of North America, as well as sales of other Yorkland Controls products and services, also may be subject to separate or supplemental terms and conditions of sale. For further information, please contact Yorkland Controls at 1-877-733-3833 or visit www.yorkland.net

PRICING AND QUOTATIONS: Published prices are subject to change without notice. All quotations are subject to the terms and conditions contained herein unless otherwise agreed to in writing by Seller. Verbal quotations expire the same day they are made. Unless otherwise stated in the written quotation, quoted prices are firm for 30 days from the date of Seller's written quotation; otherwise, prices are as in effect at the time of shipment. Prices are quoted exclusive of transportation, insurance, and taxes.. Prices do not include license fees, customs fees, duties or any other charges related thereto. Customer will pay any and all shipping charges, premiums, taxes, fees, duties, documentation, handling and other charges related thereto and shall hold Seller harmless there from; provided that, if Seller, in its sole discretion, chooses to make any such payment, Customer shall reimburse Seller, in full, upon demand. Prices include Seller's standard packaging only.

All typographical and clerical errors in written quotations are subject to correction.

Changes — Customer-requested order changes, including those affecting the identity, scope and delivery of the Products, must be documented in writing and are subject to Seller's prior approval and adjustments in price, scheduling and other affected terms and conditions. In any event, Seller reserves the right to reject any change that it deems unsafe, technically inadvisable or inconsistent with established engineering or quality guidelines and standards, or incompatible with Seller's design or manufacturing capabilities.

Returns — All returns of Products will be subject to prior Seller approval. Non-warranty returns of unused and salable Products for credit will be subject to Seller's return policies in effect at the time, including applicable restocking charges and other conditions of return. Products returned under warranty must be properly packed and shipped to Seller-specified locations. Shipping containers must be clearly marked per Seller's instruction and shipped freight prepaid by the customer.

Order Cancellation — An order may be cancelled by the customer prior to shipment only by written notice and upon payment to Seller of reasonable cancellation and restocking charges, including reimbursement for direct costs, plus allowances for disruption. Specialty items such as dampers and valves are subject to a minimum re-stocking charge of 30%. Cancellation charges associated with orders for custom Products or Products specifically manufactured to the customer's specification may equal the actual selling price of the Products. Seller has the right to cancel an order for cause at any time by written notice, and Seller will be entitled to cancellation and restocking charges as identified above. No termination by the customer for cause will be effective unless and until Seller has failed to correct such alleged cause within forty-five (45) days after receipt of the customer's written notice specifying such cause.

ORDER ACCEPTANCE AND TERMS OF SHIPMENT: All accepted orders will be shipped FOB point of shipment with the freight paid by Customer. For Customer-paid freight, Seller will use reasonable efforts to employ Customer's written shipping instructions; provided that, such instructions (1) shall be adequate to protect the Products from damage in shipping; (2) shall be consistent with industry standards for shipping such Product; and (3) will not cause undue delay in shipping or additional costs to Seller. Delivery shall occur at the time the Product has been delivered at the FOB point.

CUSTOMER ACCEPTANCE OF PRODUCT: The Products shall be deemed accepted, except as to warranty claims, by Customer if: 1) Customer does not inform Seller within 15 days of shipment of non-compliance with the order as accepted by Seller; or 2) notwithstanding the foregoing, the Product is used by Customer or its Agents, regardless of whether resold.

PAYMENT TERMS: Unless Customer has established an approved credit line or pre-payment is made, payment is due immediately upon Customer's receipt of and in exchange for the Product. For approved credit lines (subject to submission of Seller's standard Application for Credit, review and approval by Seller and Customer's execution of Seller's Credit Terms and Conditions), Seller's payment terms are net 30 days from the date of shipment. Non-credit foreign shipments (outside U.S. and Canada) may be handled under the following methods: Prepayment, Sight Draft, or Irrevocable Letter of Credit. Partial shipments will be billed by Seller as made and payments therefor are subject to the applicable terms above. Customer shall have no right to offset or withhold payment. Customer agrees that Seller may charge, and Customer will pay, interest at one and one-half (1.5%) percent per month on all invoices remaining unpaid after thirty (30) days from the invoice date. Customer agrees to pay all costs, including reasonable attorneys' fees, incurred in any collection efforts for outstanding balances.

PROPRIETARY RIGHTS: Prices quoted and charged are for the Products only and do not included technical data, proprietary rights of any kind (including moral rights), patent rights, or qualification, environmental or other testing.

WARRANTY: Seller operates as a distributor and as a manufacturer.

For Distributed Products: As a distributor, Seller stocks and sells products offered by several manufacturers. The warranties offered on Seller's "distributed" products are those offered by Seller's suppliers only. These warranties are available to Seller's customers upon request.

For Seller Manufactured Products: These products also carry varied warranties and the warranty periods and are available to the Customer upon request. As a manufacturer, Seller warrants that Products supplied to its customers and manufactured by Seller will be free from defects in material and workmanship for the period of the warranty. Repair, or at Seller's option, credit for an equitable portion of the purchase price or replacement of defective parts shall be the sole and exclusive remedy under the warranty.

THE WARRANTIES IN THIS SECTION ("WARRANTY") ARE EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS AND/OR IMPLIED INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, AND OF FITNESS FOR A PARTICULAR PURPOSE, USE OR APPLICATION AND FOR ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER, UNLESS SUCH OTHER WARRANTIES, OBLIGATIONS OR LIABILITIES ARE EXPRESSLY AGREED TO IN WRITING BY SELLER.

SOFTWARE and FIRMWARE: Unless otherwise provided in a Seller or third party license agreement, Seller warrants for a period of one (1) year from the date of invoice from Seller that standard software or firmware Products furnished hereunder, when used with Seller-specified hardware, will perform in accordance with published specifications prepared, approved, and issued by Seller's headquarters. Seller makes no representation or warranty, express or implied, that the operation of the software or firmware Products will be uninterrupted or error free, or that the functions contained therein will meet or satisfy the Customer's intended use or requirements. Software and firmware corrections are warranted for a period of three (3) months from the date of shipment to Customer or the remainder of the original warranty.

LIMIT OF LIABILITY — IN NO EVENT WILL SELLER BE LIABLE FOR INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND

FORCE MAJEURE — Seller will not be liable for any loss, damage or delay arising out of its failure to perform hereunder due to causes beyond its reasonable control, including without limitation, acts of God or the customer, acts of civil or military authority, fires, strikes, floods, epidemics, quarantine restrictions, war, riots, delays in transportation, or transportation embargoes. In the event of any such delay, Seller's performance date(s) will be extended for that length of time as may be reasonably necessary to compensate for the delay.

END OF GENERAL TERMS & CONDITIONS OF SALE