

CONXALL STANDARD TERMS AND CONDITIONS

1. ACCEPTANCE OF ORDERS

All orders are subject to acceptance by CONXALL. These terms are subject to change without notice until Buyer's order has been accepted by CONXALL.

2. ACCEPTANCE OF TERMS

Acceptance of Buyer's order is expressly made conditional with Buyer's agreement to these terms, unless otherwise changed by CONXALL in writing. Conxall reserves the right to ship plus or minus 5% due to yield factors on special product assemblies. These terms entirely supersede any terms that may be part of Buyer's order, and CONXALL objects in advance to the inclusion of any additional or different terms proposed by the Buyer in its submission of an order.

3. TERMS OF PAYMENT

½% 10th - 25th Net 30 days. Past due balances beyond that date will bear interest at the rate of one and one-half percent (1.5%) per month or at the highest rate permitted by law, whichever is lower. All prepaid orders must be paid in full prior to shipment. Prepaid orders that are not paid will be automatically cancelled 14 days after the acknowledged shipment date.

4. TAXES

Prices stated do not include any applicable local, state, or federal taxes. The amount of any sales, use, or similar tax applicable to the sale of the items herein or to the use of such goods by Buyer shall be paid by Buyer, or in lieu thereof the Buyer will provide CONXALL with a tax exemption certificate acceptable to the taxing authorities.

5. TITLE AND RISK OF LOSS

Title to the material shipped and all risks of loss pass to buyer upon CONXALL's delivery to common carrier at CONXALL's plant.

6. CUSTOM ORDERS

All custom orders must be quoted directly from CONXALL's factory. CUSTOM ORDERS ARE NON-CANCELABLE AND NON-RETURNABLE. Buyer may at any time request changes to custom orders within the general scope of work called for. If such changes cause an increase or decrease in the price of the items, Buyer shall be notified to this effect. Ordering by quoted part number and/or quoted price constitutes customer's acceptance of CONXALL's specifications regarding quality, delivery, cost, performance and materials, and supersedes customer's specifications. CONXALL shall not be obligated to proceed with such changes until it receives a written change order, subject to the terms of paragraph 1 herof. CONXALL shall be entitled to an extension of the delivery schedule as a result of such change(s).

7. CANCELLATION

Buyer can only cancel its order by and upon payment of reasonable cancellation charges. Such charges must compensate CONXALL for all amounts in connection with Buyer's order prior to cancellation, including but not limited to charges for raw material, work in process, and finished goods, together with applicable overhead and allowance for profit on the canceled portion.

8. DELIVERY

CONXALL's delivery quotations represent its best estimate on the basis of current schedules. Neither CONXALL nor Buyer shall be liable for any loss, damage or delay due to acts of God or any other cause beyond reasonable control.

9. LIFETIME LIMITED WARRANTY

CONXALL warrants all of its products to be of sound design, good materials and workmanship at the time of its manufacture. CONXALL will repair or replace, at its discretion, any product proven to be defective under normal use. CONXALL's sole liability under the terms of this warranty is limited to the repair or replacement of defective products which have not been damaged through accident, abuse, misuse or unauthorized repair. In no event shall either party be liable for incidental, consequential or special (including punitive or multiple) damages nor shall CONXALL be liable for damages in excess of the price paid hereunder.

10. RETURNS

No products are to be returned without written authorization from CONXALL. Authorization for returns must be obtained from Conxall within 45 days of receipt of product. Authorization will be given in the form of a Material Return Authorization (MRA) number which must accompany the returned material. Transportation charges on returns must be prepaid by Buyer. All returns must comply with CONXALL's current Returns Policy or will be sent back to customer at their expense.

11. STANDARD PACKAGING

Each CONXALL standard item has been assigned a standard package size that reflects the most economical packaging quantity for the factory. This standard packaging size is the basis for the revisions to the Distributor stock rotation policy. Distributors are encouraged to order in multiples of standard packages, but are not required to do so. Standard items continue to be offered without minimum quantity restrictions, subject to minimum order dollar levels discussed below.

12. GOVERNING LAW

This order or quotation shall be governed and interpreted according to the substantive laws of the State of Illinois without reference to the laws of any other jurisdiction.

13. ARBITRATION

Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in the City of Chicago, Illinois, conducted in the English language in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Award of the Arbitrator(s) shall be final, and judgment upon the award may be entered in any court having jurisdiction thereof. Any award rendered by the Arbitrator(s) may include compensatory damages and costs, but under no circumstances shall either party be liable for, or the Arbitrator(s) be authorized or empowered to award any incidental, consequential, or special (including punitive or

14. CLAIMS

Any claim or action against CONXALL must be brought by Buyer within one (1) year after the cause of action accrued, or be deemed waived.

15. ROUTING

Best mode or method of transport will be determined by Inside Sales Coordinator, Traffic Manager or Supervisor unless customer specifically requests special routing.