

Warner Electric LLC Sales Terms and Conditions

Effective September 1, 2005

1. Taxes

The quoted price shall be increased by the addition, without notice, of any federal, state, or other government tax or regulatory requirement imposed by any present or future law upon the sales of the article covered hereby, unless purchaser shall furnish an exemption certificate.

2. Delays

The seller shall not be liable for any default or delay, caused by any contingency beyond its control, including fire, strikes, riots, mill condition, shortages of cars, fuel, labor or material, accidents to machinery or other equipment, casualties, or any other cause whatsoever interfering with, or hindering, the production or transportation of the products herein described, and also including interruptions occasioned by request, order, or requisition of the Government of the United States or any governmental or war activity or embargoes.

3. Cancellation or Suspension

Orders are not subject to cancellation or suspension, except with Seller's consent and upon payment to the seller of cancellation charges.

4. Changes

Any requested change to the product specifications defined on said quotation requires a revised quotation.

5. Terms of Payment

Terms of payment are as shown and shall be effective from date of invoice.

6. Credit of Approval

All orders are subject to acceptance and approval by the Seller's credit department.

7. Guarantee

Warner Electric LLC, guarantees, for a period not to exceed twelve months from date of shipment to initial user, each new product or part manufactured by it against defects in material and workmanship, providing the specified product or part is used as recommended. Its obligation under this guarantee is limited to replacing or repairing (whichever it deems advisable) at its factory, such product or part which is returned to it promptly with transportation charges prepaid, and which, upon examination, is found to our satisfaction to have been defective under the terms of this guarantee. If the material was purchased from a Warner Electric Distributor, contact the distributor first for return authorization.

If found defective under the terms of this guarantee, repair or replacement will be made, without charge, together with a refund for transportation costs. If found not to be defective, a charge will be made for repair or replacement. No credit allowance will be provided for equipment returned, as defective. This guarantee shall not apply to any equipment that shall have been damaged, overused, repaired or altered outside our factory. This guarantee is in lieu of all other obligations or liabilities on our part and it neither assumes nor authorizes any other person(s) to assume for Warner Electric any other obligation in connection with the sale of its products.

8. General

In no event shall any claims be made against the Seller for special or consequential damages. Clerical and stenographical errors are subject to correction. Purchaser's assignment of his order, or of any interest therein, or of any rights hereunder, without the written consent of the Company shall be void. No waiver, alteration, or modification of the foregoing conditions shall be valid unless made in writing and signed by an executive officer of the Company.