



HOFFMAN

Distributor Standard Conditions of Sale

Distribution - Hoffman Enclosures Inc. ("Hoffman") brand products are sold through a worldwide network of selected Electrical Distributors. Hoffman is represented by area Sales Representatives located throughout the world. Contact Hoffman for the name of your nearest Representative or Distributor.

Acceptance - No order shall be binding upon Hoffman until accepted and acknowledged in writing by Hoffman. Any contract for sale of goods, and these Conditions of Sale, shall be governed by and construed according to the Uniform Commercial Code as adopted in the State of Minnesota.

Delivery - The estimated shipping date is based on production time required to process the order commencing with the date the order is received by Hoffman. In the event it is necessary to revise the design, specifications, or Conditions of Sale, the shipping date shall be automatically extended by the period of time required to achieve the mutually agreed upon corrections or adjustments of the design, specifications, or Conditions of Sale. Shortages and non-conformity of invoice and shipments must be reported to Hoffman Anoka via telephone or fax within 15 days of receipt. Failure of Purchaser to properly notify Hoffman will constitute acceptance of shipment.

Delays in Delivery - The purchaser shall not hold Hoffman responsible for any delay or for any damages suffered by the purchaser by reason of any delay due to fires, strikes, riots, Acts of God, priorities, government orders or restrictions, delays in transportation, delays by suppliers of materials or parts, inability to obtain necessary labor, or other causes beyond the control of Hoffman. In the event of such delay, the shipping date shall be extended for a period equal to the time lost by reason of such delay.

Damage or Loss in Transit - Delivery of goods to a carrier at Hoffman's plant or other shipping point shall constitute delivery. Regardless of freight payment, all risk of loss or damage in transit shall pass to Purchaser at that time. Purchaser shall make claims for loss or damage to goods while in transit against the carrier. Hoffman will assist Purchaser in securing satisfactory adjustment of such claims if notified within 15 days of receipt. Terms are F.O.B. point of origin.

Warranties - For all products listed herein, Hoffman warrants goods manufactured by it to be free from defects in materials and workmanship for a period of (1) year from date of shipment from its plant. If within such period any such goods shall be proven to Hoffman's satisfaction to be defective, then and in that event such goods shall be repaired or replaced at Hoffman's option. Such corrections or replacement of defective goods shall constitute a fulfillment of all liabilities in respect to such goods. Under no circumstances will credit be allowed for unauthorized rework on any materials.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WHATSOEVER, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Hoffman shall not be liable for damages to goods, property, or persons due to improper installation or through attempts to utilize the goods under conditions which exceed the designed capabilities.

Terms - 1%-10th pro. net 25th, past due thereafter. Payment in U.S. funds.

Quotations and Prices - Orders are accepted with understanding that the goods will be billed at price in effect at time of order, unless otherwise specified in quotation.

The price and performance of this order is subject to resource availability and costs within the control of Hoffman at the time of manufacture. Hoffman reserves the right to cancel or adjust prices and delivery.

Freight Terms - F.O.B. Hoffman Distribution Center, Freight charges will be prepaid and allowed on items shipped to any domestic free delivery point on a recognized preferred Hoffman freight carrier; if the shipment is based on a single order for one release of \$2500 Distributor Cost or more which is to be routed to a single destination.

Standard, and modified items on one order for one release can be combined to determine freight allowances. [Air shipments by special routing are F.O.B. shipping point.]

When Purchaser specifies carriers other than Hoffman assigned preferred carriers, product will be shipped F.O.B. Hoffman Distribution Center "collect" or third party billing only. No freight credit will be given when a non-preferred carrier is requested. Also, Purchaser will be assessed additional charges when specialized equipment (lift gates, soft tops, etc.) handling, or packaging is specified.

Air Freight - When air freight is required by the customer, Purchaser will be assessed additional handling charges as follows: A handling charge of \$50 per order will be assessed per order. A charge of \$160 per crated item will be assessed for any product that requires crating. Crating is required on any product measuring 60 inches or more in any dimension, excluding wireway. If a crated item only is ordered, the \$50 per order handling charge (but not the \$160 crating charge) will be waived. If a crated item is included with other items on the same order, the \$50 per order handling charge and the \$160 per crated item charge will be applied to the order.

Reconsignment and Redelivery - Purchaser will be charged any additional costs incurred by Hoffman as a result of the Purchaser providing the wrong address or if delivery is refused at the address provided.

Export Packing - Where export packing is required by the customer, the Purchaser will be charged for extra costs incurred beyond Hoffman's standard packing.

No allowance will be made for cartage at destination.

Catalogue Weights and Dimensions - Catalogue weights and dimensions are careful estimates, but are not guaranteed.

Cancellation - Orders for normal quantities of standard listed goods may be canceled without charge if communicated to the factory in time to stop shipment. Cancellation charges of 10% to 100% will be applied based on order status for non-standard goods (custom, modified, assembled-to-order, configured, etc. goods).

Changes on Non-Standard Product - There will be a change order processing charge plus the cost of the components, for changes to non-standard goods (custom, modified, assembled-to-order, configured, etc. goods).

Returned Goods - Authorization and shipping instructions for the return of any goods must first be obtained by the Purchasing Distributor from Hoffman, otherwise shipment will be refused. Only unused Hoffman products contained in original cartons purchased within 12 months from date of invoice will be considered for return. Modified products, custom products, Assembled To Order (A-T-O) or configured products are not returnable.

If goods are in salable condition, a 25% restocking charge with a \$50 minimum will be deducted from our Credit Memorandum on the returned goods. Transportation charges on the returned goods must be prepaid. Any cost in excess of 25% restocking charge incurred in placing the goods in salable condition will be charged to the Purchaser by a corresponding deduction from the allowed credit. Goods returned for credit must be carefully packed so as to reach the Hoffman without damage.

Goods built to a customer's specifications cannot be returned for credit. If the return of our goods is made necessary through some fault of Hoffman, full credit will be allowed, including whatever transportation expense the purchaser may have incurred, provided that the return has been authorized by Hoffman and is in accordance with the shipping instructions. [No credit memorandum will be issued where the net amount involved is less than \$15, except where an error made by the Company is being corrected.]

Taxes and Other Charges - Any manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, testing fee, or other tax, fee or charge of any nature whatsoever, imposed by any governmental authority on or measured by any transaction between Hoffman and Purchaser, shall be paid by Purchaser in addition to the prices quoted or invoiced.

Patents - Hoffman will defend any suit or proceeding brought against the Purchaser insofar as it is based on a claim that goods, or any part thereof, sold hereunder, constitutes an infringement of any patent of the United States, if notified promptly in writing and given authority, information and assistance, at our expense, for the defense of the same. This agreement shall not extend to any infringement based upon the manufacture, use of sale of any of said goods or any part or parts thereof, in combination with materials or things not furnished hereunder.

In the event the use of said goods by Purchaser is enjoined in such a suit, Hoffman shall, at its own expense and election, either (a) procure for Purchaser the right to continue using said goods, (b) modify said goods to render them non-infringing, (c) replace said goods with non-infringing goods, or (d) refund the purchase price and the transportation costs of said goods. Hoffman will not be responsible for any compromise or settlement made without its written consent. The foregoing states the entire liability of Hoffman with respect to patent infringement by said goods.

As to goods furnished by Hoffman to Purchaser and manufactured in accordance with designs proposed by Purchaser, Purchaser shall defend and indemnify Hoffman against any claim, action, or award made against Hoffman for patent, trademarks, or copyright infringement relating to the designs or specifications furnished by Purchaser.

Consequential Damages - NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, HOFFMAN ENCLOSURES INC. SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, CONTINGENT OR INCIDENTAL DAMAGES WHATSOEVER.

Penalty Clause - No penalty clause of any description, in any specification or order, will be effective unless approved in writing over the signature of an officer of Hoffman Enclosures Inc.

Errors - All clerical errors are subject to correction.

Literature and Advertised Material - Catalogs and other promotional brochures, etc., are available in reasonable quantities on request.