



General Terms and Conditions of Sale

The following terms and conditions of sale shall apply to any sale of goods by Electrical & Electronic Controls (EEC) Limited (hereinafter called "EE Controls"). Purchaser shall be deemed to have full knowledge of the terms and conditions herein and such terms and conditions shall be binding if the goods referred to herein are delivered to and accepted by Purchaser, or if Purchaser does not within five days from the date hereof deliver to EE Controls a written objection to said terms and conditions or any part thereof.

1. GENERAL

In the event of any conflict or inconsistency between the terms and conditions of sale herein and the terms and conditions contained in the Purchaser's order or in any other form issued by Purchaser, whether or not any such form has been acknowledged or accepted by EE Controls, EE Controls' terms and conditions herein shall prevail. No waiver, alteration or modification of these terms and conditions shall be binding upon EE Controls unless made in writing and signed by a duly authorized representative of EE Controls.

2. QUOTATIONS

Unless otherwise stated, EE Controls' quotation shall be null and void unless accepted by Purchaser within thirty (30) days from the date of quotation. Freight costs are not included in any quotation unless specifically noted in writing.

3. PURCHASE ORDERS

All orders must be placed in writing either by purchase order or on your letterhead. Orders must include part number, price, shipping details and be signed by an authorized representative of purchasing company. Purchase orders placed on hold by the purchaser will be held for a maximum of thirty (30) days by EE Controls. This applies to stock items only.

4. CREDIT & PAYMENT TERMS

Credit terms are subject to EE Controls approval. If credit has not been arranged, a fifty percent (50%) deposit must accompany all purchase orders of custom panels and full balance is due at the time of delivery. If purchase is for parts, full payment of invoice is required at time of order. If credit relations are desired and have not been previously established, shipping delays will be avoided if references and a signed credit application are supplied to EE Controls by the purchaser. Unless stated otherwise terms of sale are net 30 days from the date of invoice. All overdue accounts are subject to interest at a rate of 2% per month. Accounts with invoices over 90 days will be put on a credit hold. Accounts over 120 days are subject to collection action at the cost of the Purchaser.

5. DEBT COLLECTION FEES

The Purchaser is liable for any debt collection service fees incurred in respect of any outstanding and overdue debts that the Purchaser owes to EE Controls.

6. PRICES / COST OF TRANSPORTATION

All quoted prices are based on the current exchange rates, tariffs and costs of manufacture. Unless otherwise stated in the quotation, quoted prices are subject to change by EE Controls with or without notice until Purchaser's acceptance. Prices are subject to correction for error. Unless otherwise stated, all prices are f.o.b. factory and include domestic packing. Customary methods of transportation shall be selected by EE Controls and

such transportation will be at Purchaser's expense. Special methods of transportation will be used upon Purchaser's request and at Purchaser's additional expense provided reasonable notice of Purchaser's transportation requirements are given by Purchaser to EE Controls prior to shipment. The unloading of materials at the point of destination shall be the sole responsibility of the purchaser.

7. TAXES

Prices do not include Harmonized Goods & Services Tax, Provincial or Municipal sales, use, value-added or similar tax. Accordingly, in addition to the price specified herein, the amount of any present or future sales, use, value-added or similar tax applicable to the sale of the goods hereunder to or the use of such goods by Purchaser shall be paid by Purchaser to the entire exoneration of EE Controls.

8. DELIVERY

Delivery schedules are approximate and are based on prevailing market conditions applicable respectively at the time of EE Controls' quotation and EE Controls' acceptance of Purchaser's Order. Delivery shall also depend on the prompt receipt by EE Controls of the necessary information to allow maintenance of the engineering and production schedules. EE Controls may extend delivery schedules or may, at its option, cancel Purchaser's order in full or in part without liability other than to return any deposit or prepayment which is unearned by reason of the cancellation.

9. FORCE MAJEURE

EE Controls shall not be responsible or liable for any loss or damage incurred by Purchaser herein resulting from causes beyond the reasonable control of EE Controls including, but without limitation, acts of God, war, invasion, insurrection, riot, the order of any civil or military authority, fire, flood, weather, acts of the elements, delays in transportation, unavailability of equipment or materials, breakdown, sabotage, lock-outs, strikes or labour disputes, faulty castings or forgings, or the failure of EE Controls' suppliers to meet their delivery promises. The acceptance of delivery of goods by Purchaser shall constitute a waiver of all claims for loss or damage due to any delay whatsoever.

10. SHIPMENT/DAMAGES OR SHORTAGES IN TRANSPORT/RISK

Except for obligations stated under "Warranty" herein, EE Controls' responsibility for goods ceases upon delivery to the carrier. In the event of loss or damage during shipment, Purchaser's claim shall be against the carrier only. EE Controls will, however, give Purchaser any reasonable assistance to secure adjustment of Purchaser's claim against the carrier provided immediate notice of such claim is given by Purchaser to EE Controls.

11. INSPECTION AND ACCEPTANCE

Purchaser shall examine all goods upon receipt and prior to use. All claims for damage, shortage, errors in shipment or improper delivery must be made to EE Controls in writing within ten (10) business days of delivery, after which date Purchaser will be deemed to have irrevocably accepted the goods, if not previously accepted, and will have no right to reject the goods or to revoke acceptance. Purchaser must make any claims for billing errors or adjustments to EE Controls in writing within ten (10) business days from the invoice date. Claims not received in writing within such period of time will be waived by Purchaser.

**12. TITLE**

Title to the goods or any part thereof shall not pass from EE Controls to Purchaser until all payments due hereunder have been duly made in cash, except as otherwise expressly stipulated herein. The goods shall be and remain personal or moveable property, notwithstanding their mode of attachment to realty or other property. If default is made in any of the payments herein, Purchaser agrees that EE Controls may retain all payments which have been made on account of the purchase price as liquidated damages, and EE Controls shall be free to enter the premises where the goods may be located and remove them as EE Controls' property, without prejudice to EE Controls' right to recover any further expenses or damages EE Controls may suffer by reason of such nonpayment.

13. LIABILITY

EE Controls shall not be liable for and shall be held harmless by Purchaser from any damage, losses or claims of whatever kind, contractual or tort, consequential or incidental, direct or indirect, arising out of, in connection with or resulting from the sale governed hereby or the goods, including, but without limitation, the manufacture, repair, handling, installation, possession, use, operation or dismantling of the goods and any and all claims, actions, suits, and proceedings which may be instituted in respect to the foregoing.

14. WARRANTY

Goods sold hereunder that are covered by a warranty against defects in material and workmanship provided the goods and services are subjected to normal use and service. The applicable warranty period is twelve (12) from shipping date to Purchaser of any item of the goods. For components not supplied by EE Controls, the original manufacturer's warranty shall apply to the extent assignable by EE Controls. The obligation under this warranty is limited to the repair or replacement, at EE Controls' option, of defective parts f.o.b. point of shipment provided that prompt notice of any defect is given by Purchaser to EE Controls in writing within the applicable warranty period and that upon the Purchaser's return of the defective parts to EE Controls, the defective parts are properly packed and with transportation charges prepaid by Purchaser, an inspection thereof shall reveal to EE Controls' satisfaction that Purchaser's claim is valid under the terms of this warranty. Purchaser shall assume all responsibility and expense for dismantling, removal, re-installation and freight in connection with the foregoing. The same obligations and conditions extend to replacement parts furnished by EE Controls hereunder. EE Controls does not assume liability for installation, labour or consequential damages. EE Controls makes no warranty other than the one set forth herein. All other warranties, legal, expressed or implied, including but not limited to any expressed or implied warranty of merchantability, of fitness for the intended use thereof or against infringement are hereby expressly excluded. The applicable warranty ceases to be effective if the goods are altered or repaired other than by persons authorized or approved by EE Controls to perform such work. Repairs or replacement deliveries do not interrupt or hereunder in a safe and reasonable manner and in accordance with any written instructions from the manufactures.

prolong the term of the warranty. The warranty ceases to be effective if Purchaser fails to operate and use the goods sold

15. INSTALLATION

Unless otherwise expressly stipulated, the goods shall be installed by and at the risk and expense of Purchaser. In the event that EE Controls is requested to supervise such installation, EE Controls' responsibility shall be limited to exercising that degree of skill customary in the trade in supervising installations of the same type. Purchaser shall remain responsible for all other aspects of the work including compliance with the local regulations.

16. RETURNED GOODS

All requests for "Return Material Authorization" must be within 90 Days of invoice date and be substantiated with the Original Invoice issued at time of sale. Returned goods will not be accepted or acknowledged as returned to EE Controls without EE Controls' prior written permission. Once written permission is granted, EE Controls will provide a Return Material Authorization form (herein referred to as "RMA"), including a return number and instructions. EE Controls reserves the right to decline all returns or to accept them subject to a 20 % handling/restocking charge. Even after EE Controls has authorized the return of goods for credit, EE Controls reserves the right to adjust the amount of any credit given to Purchaser on return of the goods based on the conditions of the goods on arrival to EE Controls' location. Credit for returned goods will be issued to Purchaser only where such goods are returned by Purchaser and not by any subsequent owner of the goods. Goods will be considered for return only if they are in their original condition and packaging. Further detailed terms and instructions, can be found in our "RMA Terms & Conditions". Custom orders are non-returnable.

17. CHANGES AND CANCELLATION

Orders accepted by EE Controls are not subject to changes or cancellation by Purchaser, except with EE Controls' written consent. In such cases where EE Controls authorizes changes or cancellation, EE Controls reserves the right to charge Purchaser with reasonable costs based upon expenses already incurred and commitments made by EE Controls, including, without limitation, any labour done, material purchased and also including Supplier's usual overhead and reasonable profit and cancellation charges from EE Controls' suppliers.

18. SEVERABILITY

If a clause or part of a clause in these Terms and Conditions is illegal, unenforceable or invalid, that clause of part is excluded from these Terms and Conditions without affecting the remaining Terms and Conditions.

19. THE AGREEMENT

An acceptance and official confirmation of Purchaser's order by EE Controls shall constitute the complete agreement, subject to the terms and conditions of sale herein set forth, and shall supersede all previous quotations, orders or agreements. The law of the Province of Ontario shall govern the validity, interpretation and enforcement of these terms and conditions of sale and of any contract of which these terms and conditions are a part.