



General Terms and Conditions of Sale

SHIPPING SCHEDULES-PERFORMANCE. When requested, Industrial Electric Mfg. will establish estimated shipping schedules as close as possible to Purchaser's needs and will use its best efforts to meet the estimated schedule. However, Industrial Electric Mfg. shall not be responsible for failure to meet such schedule. Industrial Electric Mfg. shall not be responsible for any loss or damage to Purchaser for whatever reason, or for any loss of or damage of goods when caused directly or indirectly from any cause or causes beyond the control of Industrial Electric Mfg. or the control of its suppliers. Should shipment be held beyond scheduled delivery date for the convenience of the Purchaser, Industrial Electric Mfg. reserves the right to bill for goods and charges for warehousing, insurance, trucking and other associated expenses.

STORAGE. Industrial Electric Mfg. does not have the available space to store equipment on its premises. Therefore, should Purchaser have the need to delay delivery of the equipment to the jobsite, the Purchaser shall arrange for storage at a separate location.

PENALTY CLAUSE. In no event does Industrial Electric Mfg. agree to pay any amount identified as a penalty or as liquidated damages for failure to meet a shipping schedule, unless a specific Agreement to that effect is made in writing and signed by an officer of Industrial Electric Mfg.

CANCELLATION. Orders may be terminated by the purchaser only upon payment of reasonable charges based upon expenses already incurred and commitments made by Industrial Electric Mfg. Cancellation charges for completed items will be 100% of the selling price.

CANCELLATION SCHEDULE. The following payments are due in the event of cancellation for any reason:

10%	After order entry
20%	After drawings are issued for approval
45%	After return of approval drawings or release to manufacturer
75%	After release of Bill of Material to Production
100%	After start of fabrication

WARRANTIES. Industrial Electric Mfg. warrants the goods sold to be as described and to be free from defects in materials and workmanship under normal and proper usage for a period of one year from the date of shipment. No promise, description, affirmation of fact, sample model or representation, oral or written, shall be a part of any order unless specifically set forth herein, or in a separate writing signed by an officer of Industrial Electric Mfg. The warranties set forth above are void if the goods sold hereunder are used in any manner other than their intended purpose or abused or if they are modified, altered or taken apart except according to Industrial Electric Mfg.'s express written instructions. Industrial Electric Mfg. makes no other warranties of any kind, express or implied, and SPECIFICALLY EXCLUDES ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

EXTENDED WARRANTY. The standard warranty is one year from the date of shipment. An extended warranty provision may be purchased prior to equipment shipment and may be extended in one-year (1) increments, up to four (4) additional years, at the rate of 2% of the total contract value per each additional year of the extended warranty.

PURCHASER'S REMEDIES. Industrial Electric Mfg. agrees to correct any defect in workmanship or material, for merchandise manufactured by it, which may develop under normal and proper usage during a period of one year from date of shipment, or by its option, choose to replace or repay, upon return of the defective part(s) the price paid for such apparatus by the purchaser. Purchaser's remedies shall be limited exclusively to the right of replacement and/or repair or repayment as provided, and do not include any labor cost of replacement. Industrial Electric Mfg., its contractors and suppliers of any tier, shall not be liable in contract, in tort (including negligence) or otherwise for damage or loss of other property or equipment, loss of profits or revenue, loss of use of equipment or power system, cost of capital, cost of purchased or replacement power or temporary equipment (including additional expenses incurred in using

existing facilities), claims of customers of the Purchaser, or for any special, indirect, incidental, or consequential damages whatsoever. The remedies of the purchaser set forth herein are exclusive and the liability of Industrial Electric Mfg. with respect to any contract, or anything done in connection therewith such as performance or breach thereof, or from manufacture, sale delivery, resale, installation or technical direction of installation, repair or use of any equipment covered by or furnished under the contract, whether any contract, in tort (including negligence) or otherwise, shall not exceed the price of the equipment or part on which such liability is based.

WEIGHTS AND DIMENSIONS. Published weights are actual or are careful estimates, but are not guaranteed. The dimensions in catalogs are subject to change without notice and are not to be used for construction purposes.

RETURNING PRODUCTS. Custom products are not returnable. Authorization and shipping instructions for the return of any product must be obtained by the purchaser from Industrial Electric Mfg. sales office or distribution outlet before returning the product. The product must be returned with complete identification in accordance with Industrial Electric Mfg. instructions or it will not be accepted. Where a purchaser requests authorization to return the product for reasons of his own, he will be charged for placing the return goods in salable condition (restocking charge) and for any outgoing and incoming transportation paid by Industrial Electric Mfg. In no event will Industrial Electric Mfg. be responsible for a product returned without proper authorization and identification. Industrial Electric Mfg. reserves the right to limit the return of material from any one project to 10% of the value of the project.

ORDERS. All orders received are subject to acceptance by an authorized representative of Industrial Electric Mfg. Orders must be firm commitments giving complete item description (catalog numbers where applicable) including prices, quantity and shipping requirements. Typographical and clerical errors in quotations, orders, and acknowledgments are subject to correction.

CREDIT. Purchasers who do not have established credit ratings with Industrial Electric Mfg. shall send satisfactory credit information or references with first order, or send a certified check or money order to avoid delay in order shipment.

TERMS OF PAYMENT. Terms of payment for all products shall be Net 30 days. A monthly service charge of 1.5% (annual rate of 18%) will be added to balances 30 days past due.

PROGRESS BILLING SCHEDULE. For orders of \$500,000.00 or more, the following payment schedule is in effect:

40% After release to manufacturer

100% Due upon shipment

For orders less than \$500,000.00, Industrial Electric Mfg. may require, on a case-by-case basis, adherence to the above Progress Billing Schedule.

CHANGES IN SCOPE OF SUPPLY. Changes in scope of supply or delays caused by the Purchaser may also affect the project shipping schedule. Should it become necessary to reschedule due to a purchaser-caused delay, IEM will make every effort to reschedule the project into the first available opening in our factory schedule based on loading and available manufacturing slots.

MINIMUM BILLING. Orders amounting to less than \$500.00 net will be billed at \$500.00.

PRICES. Prices, discounts and multipliers are subject to change without notice. Verbal quotations, unless accepted, expire the same day they are made. Written quotations, unless accepted, automatically expire 30 calendar days from the date of issue and can be withdrawn by notice within that period

POLICY. Orders entered on a "Hold for Release" basis are not manufactured until a release date is received. Allow ample release time to fulfill requirements. Prices on purchase orders placed for orders to be shipped in excess of six months from date of purchase order are subject to increases of 1.5% for each month or fraction thereof in excess of the six months.



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FORCE MAJEURE. Industrial Electric Mfg. will not be liable to Purchaser for any delay in its performance due to any cause beyond its reasonable control, including acts of God, fire, floods, explosions, epidemic, pandemic, freight embargos, insurrections, terrorist attacks, war, or any similar events, provided, however, that Industrial Electric Mfg. gives Purchaser written notice of the event likely to cause any delay, continues to perform to the extent feasible, and resumes performance as soon as practicable.

GOVERNING LAW; VENUE. These General Terms and Conditions, and all matters arising directly or indirectly therefrom, shall be governed by and construed in accordance with the laws of the State of California without regard to its conflicts of law principles. For any legal action, suit, claim, or other proceeding arising out of or in any way connected with these General Terms and Conditions not otherwise subject to the Arbitration provision below, each of the parties consent to the exclusive jurisdiction and venue of the state and federal courts sitting in, or having principal jurisdiction over, Alameda County, California.

ARBITRATION. Any claim arising out of or related in any way to the purchase of goods or services by purchaser, or arising out of or related to these General Terms and Conditions, shall be submitted to binding arbitration before an arbitrator selected by the American Arbitration Association. Such arbitrator shall be knowledgeable in the construction industry, and such arbitration shall be conducted in accordance with the rules of the American Arbitration Association in Fremont, CA. The award entered by the arbitrator may be enforced in any court of competent jurisdiction.

JURY WAIVER. EACH PARTY HEREBY WAIVES ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY ACTION, CLAIM, ARBITRATION, OR LITIGATION IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT.

ATTORNEY'S FEES. In any arbitration or litigation arising out of or related in any way to the purchase of goods or services by purchaser, or arising out of or related in any way to these General Terms and Conditions, the prevailing party therein shall be entitled to its reasonable attorneys fees and costs, including but not limited to any fees and costs on appeal or in having an arbitration award confirmed.

SHIPMENT AND TRANSPORTATION. In the absence of directions prior to the date of shipment, Industrial Electric Mfg. will ship FOB origin. Purchaser responsible for all shipment and freight costs. Packing will be at Industrial Electric Mfg.'s sole discretion and will not include export packing. If the purchaser prefers a specific method or forwarding agent to handle the shipments, complete instructions must be given. All claims for loss, breakage and damage (obvious or concealed) must be made by the Purchaser to the carriers. Claims for shortages or other errors must be made in writing to Industrial Electric Mfg. within thirty (30) days after receipt of shipment. Failure to give such notice will constitute acceptance and a waiver of all claims by the purchaser.

EXPORT PACKAGING. If other than standard commercial packing is required, the cost of such special packing (determinable only after packing is completed) will be charged to the Purchaser.

PRICING ADJUSTMENT CLAUSE (PAC). Due to extended delivery dates and the potential for unknown geopolitical changes, pricing may not be held constant between order placement and shipment, unless specifically agreed to in writing on the face of the purchase order. Industrial Electric Mfg. reserves the right to adjust costs based on vendor price escalation or increased tariffs or duties that result in increased costs to Industrial Electric Mfg. Should any such cost increases occur, Industrial Electric Mfg. will provide the amount of the cost increase in writing to the party who issued the purchase order.

CONFLICTS. These Terms and Conditions of Sale shall control over any inconsistent, additional or different terms or conditions that appear on any communication, purchase order, proposal, or document from or with Purchaser (including, but not limited to, any acknowledgement, invoice, work order, or click wrap term), regardless of the order or timing by which such terms or conditions are submitted. Any additional or different provisions contained in such communications or documents that purport to alter or vary any of these Terms and Conditions are hereby explicitly rejected and shall not become part of any agreement with Industrial Electric Mfg. Any attempts by Purchaser to condition an order upon Industrial Electric Mfg.'s acceptance of different terms and conditions shall be disregarded and deemed void as a material alteration of these Terms and Conditions.



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