

SWITCHCRAFT STANDARD TERMS AND CONDITIONS

1. ACCEPTANCE OF ORDERS

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

2. ACCEPTANCE OF TERMS

Acceptance of Buyer's order is expressly made conditional with Buyer's agreement to these terms, unless otherwise changed by SWITCHCRAFT in writing. SWITCHCRAFT 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 SWITCHCRAFT 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 SWITCHCRAFT 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 SWITCHCRAFT's delivery to common carrier at SWITCHCRAFT's plant.

6. CUSTOM ORDERS

All custom orders must be quoted directly from SWITCHCRAFT'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 SWITCHCRAFT's specifications regarding quality, delivery, cost, performance and materials, and supersedes customer's specifications. SWITCHCRAFT shall not be obligated to proceed with such changes until it receives a written change order, subject to the terms of paragraph 1 herof. SWITCHCRAFT 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 SWITCHCRAFT 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

SWITCHCRAFT's delivery quotations represent its best estimate on the basis of current schedules. Neither SWITCHCRAFT 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

SWITCHCRAFT warrants all of its products to be of sound design, good materials and workmanship at the time of its manufacture. SWITCHCRAFT will repair or replace, at its discretion, any product proven to be defective under normal use. SWITCHCRAFT'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 SWITCHCRAFT be liable for damages in excess of the price paid hereunder.

10. RETURNS

No products are to be returned without written authorization from SWITCHCRAFT. Authorization for returns must be obtained from SWITCHCRAFT 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 SWITCHCRAFT's current Returns Policy or will be sent back to customer at their expense.

11. STANDARD PACKAGING

Each SWITCHCRAFT 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 required to order in multiples of standard packages unless approved by SWITCHCRAFT. Other minimum order restrictions may apply.

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. PRICE ADJUSTMENT DUE TO TARIFFS AND CHANGES IN MARKET CONDITIONS

The prices of goods and services provided under this agreement are subject to adjustment in the event of any increase in costs due to tariffs or due to changes in market conditions, including increases in precious metals costs. If tariffs are imposed or increased after the date of this agreement, or if market prices increase after the date of this agreement, resulting in a significant increase in the cost of goods or services, the seller reserves the right to adjust the prices accordingly. The seller will notify the buyer in writing of any such price adjustments, and the adjusted prices will take effect immediately upon such notification. The buyer agrees to pay the adjusted prices for all affected orders.

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14. 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 multiple) damages.

15. CLAIMS

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

16. ROUTING

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