



Standard Terms and Conditions – International Distributor/Reseller/Enduser The Ericson Manufacturing Co.

APPLICABILITY:	These International Terms and Conditions of Sale ("Terms") apply to the purchase of products and ancillary services (collectively the "Products") by seller ("Seller") and the buyer ("Buyer"), each of which is identified in the accompanying quotation, credit application, proposal, order acknowledgement, or invoice (the "Sales Confirmation"). These Terms and the Sales Confirmation comprise the entire agreement between the parties (collectively, the "Agreement"). Buyer accepts these Terms by signing and returning Seller's quotation, by sending a purchase order in response to the quotation, or by Buyer's instructions to Seller to ship the Product. No terms, conditions or warranties other than those identified in the quotation and no agreement or understanding, oral or written, in any way purporting to modify the terms and conditions whether contained in Buyer's purchase order or shipping release forms, or elsewhere, shall be binding on Seller unless hereafter made in writing and signed by Seller's authorized representative. Buyer is hereby notified of Seller's express rejection of any terms inconsistent with this Agreement or to any other terms proposed by Buyer in accepting Seller's quotation. Neither Seller's subsequent lack of objection to any terms, nor the delivery of the products or services, shall constitute an agreement by Seller to any terms.
PRICE:	Prices in any Sales Confirmation from Seller are subject to change upon notice sent to Buyer at any time before the Sales Confirmation has been accepted. Prices for Products covered by this Agreement may be adjusted by Seller, upon notice to Buyer at any time prior to shipment, to reflect any increase in Seller's cost of raw materials (e.g., steel, aluminum) incurred by Seller after issuance of the applicable Sales Confirmation. All stated prices are exclusive of any taxes, fees, duties, and levies, however designated or imposed, including but not limited to value-added and withholding taxes that are levied or based upon the amounts paid under this Agreement (collectively, "Taxes"). Any Taxes related to the Products purchased pursuant to this Agreement are the responsibility of Buyer (excluding taxes based on Seller's net income), unless Buyer presents an exemption certificate acceptable to Seller and the applicable taxing authorities. If possible, Seller will bill Taxes as a separate item on the invoice presented to Buyer. If any exemption certificate presented by Buyer is held to be invalid, then Buyer will pay Seller the amount of the Tax and any penalties and interest related thereto. All orders containing items priced at a level other than price sheet in effect must reference the pre-authorized and non-expired quotation number by line item to validate price when submitting orders to orders@ericson.com or via EDI. Any HOLD FOR RELEASE purchase orders that exceed 30 days without a firm release date for fulfillment are subject to a price and lead time adjustment.
MINIMUM BILLING:	\$100.00 USD
PAYMENT TERMS:	Payment terms are Net 30 days (on approved credit) from the invoice date, unless otherwise specified or agreed to in writing by an authorized official of The Ericson Manufacturing Co. For customers without approved credit, payment via credit card, ACH, or check prior to shipment is required. For Credit Application, apply here. Invoice payments via Credit Card: We impose a surcharge on credit cards that is not greater than our cost of acceptance. Finance charges may apply on any overdue invoice. Finance charges are computed on the basis of 1.5% per month, 18% per annum, and prorated to a daily rate of .05% of the outstanding balance. Down Payment / Advance Deposit: For any large monetary projects that contain any of Ericson's catalog/custom items or engineering services may require an advance payment of up to 50%. Balance of payment per default credit terms or as determined based on the project. Seller reserves all other rights granted to a seller under the Uniform Commercial Code ("UCC") for Buyer's failure to pay for the Products or any other breach by Buyer of these Terms. In addition to all other remedies available to Seller (which Seller does not waive by the exercise of any rights hereunder), Seller may suspend the delivery of any Products if Buyer fails to pay any amounts when due and the failure continues for five (5) days following Buyer's receipt of notice thereof. Buyer may not withhold payment of any amounts due and payable as a set-off of any claim or dispute with Seller, regardless of whether relating to Seller's breach, bankruptcy, or otherwise.
DELIVERY; SHIPPING:	(a) Seller will deliver the Products within a reasonable time after receiving Buyer's purchase order, subject to their availability. The delivery date provided by Seller for the Products is only an estimate and is based upon prompt receipt of all necessary information from Buyer. If Buyer causes Seller to delay shipment or completion of the Products, Seller will be entitled to any and all extra costs and expenses resulting from the delay. Seller will not be liable for any delays, loss, or damage in transit, and failure to deliver within the time estimated will not be a material breach of contract on Seller's part. (b) Unless otherwise agreed in writing by the parties, Seller will deliver the Products, EXW (Incoterms® 2010) at the location specified in the Sales Confirmation (the "Delivery Location"), using Seller's standard methods for packaging and shipping same. Buyer will take delivery of the Products within three (3) days of Seller's notice that the Products have been delivered to the Delivery Location. If Buyer fails to take delivery of the Products within this three (3) day period Buyer will pay Seller for the Products and all storage expenses incurred by Seller. Seller may, in its sole discretion, without liability or penalty, make partial shipments of Products to Buyer. Each shipment will constitute a separate sale, and Buyer will pay for the units shipped whether the shipment is in whole or partial fulfillment of Buyer's purchase order. Buyer is responsible for obtaining any import licenses and other consents required for a Product shipment at its own expense and will provide the licenses and consents to the Seller before shipment. (c) The quantity of any installment of the Products, as recorded by Seller on the dispatch from Seller's place of business, is conclusive evidence of the quantity received by Buyer upon delivery, unless Buyer provides conclusive evidence to the contrary. Seller will not be liable for any non-delivery of the Products to the Delivery Location, unless Buyer gives written notice to Seller of the non-delivery within five (5) days following the date that Buyer would, in the ordinary course of business, have received the Products. Seller's liability for any non-delivery of the Products will be limited to replacing the Products within a reasonable time or adjusting the invoice for the Products to reflect the actual quantity delivered.

TITLE; RISK OF LOSS:	(a) Risk of loss or damage passes to Buyer passes upon delivery to the carrier. If Buyer fails to accept delivery of any of the Products on the date set forth in Seller's notice that Seller has delivered the Products to the Delivery Location, or if Seller is unable to deliver the Products to the Delivery Location on the date because Buyer has failed to provide appropriate instructions, documents, licenses, or authorizations, then: (i) risk of loss to the Products will pass to Buyer; (ii) the Products will be deemed to have been delivered to Buyer; and (iii) Seller, at its option, may store the Products until Buyer takes possession of them, at which time Buyer will be liable for all costs and expenses resulting from the failure (including but not limited to the cost of storage and insurance). (b) Title passes to Buyer upon Buyer's payment in full for the Products.
CANCELLATION REQUEST:	In the event of a cancellation, purchaser will pay Ericson promptly (within standard terms) upon receipt of invoice based on the following conditions: a) The full contract price for all products which have been completed prior to Ericson's receipt of notice of cancellation request. b) All costs incurred by Ericson in connection with the uncompleted portion of the order, including but not limited to materials, labor, travel, consulting, general and administrative, sales and engineering. c) Cancellation charges incurred by Ericson on account of its purchasing commitments made under such.
EXPEDITED SERVICE:	E-Expedite service is available at a rate of 10% of order value plus any additional costs and/or fees. Min. charge for this service is \$500.00 USD.
CUSTOM/ENGINEERED ORDERS:	\$500.00 USD minimum on 1st order not including freight charges. Subsequent re-orders are \$100.00 USD minimum. Re-orders of Custom Items will be subject to Cost of Goods adjustment if required.
ENGINEERING DESIGN & SETUP CHARGES:	Ericson Manufacturing reserves the right to invoice for any setup charges and engineering design time that is considered out of the ordinary when no accompanying order is placed for merchandise. Additional Engineering services are available at a rate of \$250 USD/hr for items that are beyond our initial design and standard documentation package.
<u>DAMAGED GOODS:</u>	<u>It is the responsibility of the receiver to inspect and report all claims for merchandise damaged or lost in shipment and must be made to the carrier by the consignee.</u> Ericson Manufacturing Company will do everything necessary to provide the consignee with the assistance and information necessary to trace shipments or process the claim with the carrier. For further guidance on how to address damaged product upon receipt and to file a freight claim, please Click Here .
SHORTAGES:	Shortages in quantities received must be reported to Ericson Customer Service within 10 days from the date of invoice to receive proper credit.
<u>LIMITED WARRANTIES:</u>	Ericson guarantees the products it manufactures or sells against defects in workmanship and material for a period of one (1) year from the date of shipment or date of invoice, whichever is later. The product must be used, maintained, and installed according to the instructions and procedures provided, or this warranty is void. Any alteration or modification of the product will also void this warranty. ERICSON'S OBLIGATION UNDER THIS WARRANTY IS LIMITED TO THE REPAIR OR REPLACEMENT OF DEFECTIVE PRODUCTS. No other warranty or remedy shall be provided. This warranty specifically does not guarantee or cover payment or reimbursement of any damages or consequential damages beyond the above. Any claim under this warranty must be made in writing within twelve (12) months of the date of shipment or the date of invoice, whichever is later. All products returned to Ericson under this warranty must be prepaid. If it is determined that the product is defective in material and/or workmanship the repair or replacement will occur, at Ericson's option, at no charge and return freight prepaid by Ericson. All other return of product to the owner shall be at the owner's expense. ERICSON AND ITS AUTHORIZED AGENTS, EMPLOYEES AND REPRESENTATIVES SPECIFICALLY AND EXPRESSLY DISCLAIM ANY AND ALL OTHER WARRANTIES, INCLUDING THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND/OR ANY WARRANTY OF MERCHANTABILITY WHICH MIGHT OTHERWISE BE APPLICABLE UNDER ANY STATE OR FEDERAL LAW.
<u>LIMITATION OF LIABILITY:</u>	Ericson and its authorized agents, distributors and representatives do not guarantee the performance of any Ericson product in the customer's use as the manufacturer is unable to assure proper use by the customer. Proper use by the customer is necessary for the effectiveness of the product, as well as the safety of those using same. The user is solely responsible to determine the suitability of any Ericson product for any intended use. The user assumes all risk and liability for use of any Ericson product. User specifically acknowledges receipt of proper instructions regarding the use of the product in the original packaging and disclaims any consequential damages to person or property, damages for loss of use, lost time, loss of profit, lost income, loss of the Ericson product itself and/or other incidental or consequential damages other than as warranted by Ericson's limited warranty. User accepts the responsibility of removing from service any product that becomes worn out, unusable, unsuitable for intended use or defective in any way such as to make the product a potential safety hazard. Ericson is unable to undertake such obligations or responsibilities on behalf of the user as the user is in sole possession and control of the product.
INDEMNIFICATION:	(a) Buyer will defend, indemnify, and hold harmless Seller and its parent company, their respective subsidiaries, affiliates, successors, and assigns and their respective directors, officers, shareholders, and employees from and against any loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost, fees (including import and export customs fees), or expense (including reasonable attorney and professional fees and costs, and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers) ("Claims") arising out of or occurring in connection with the negligence or willful misconduct of Buyer or its employees or agents, including but not limited to: (i) any misuse or modification of the Products by Buyer or its employees or agents, (ii) any act (or failure to act) by Buyer or its employees or agents in contravention of any safety procedures or instructions that Seller provides to Buyer or its employees or agents, or (iii) the failure to store, install, operate, or maintain the Products in accordance with the Instructions. (b) Seller will defend, indemnify, and hold harmless Buyer and its subsidiaries, affiliates, successors, and assigns and their respective directors, officers, shareholders, and employees from and against any Claims arising out of or occurring in connection with the negligence or willful misconduct of Seller or its employees or agents.

INFRINGEMENT:	(a) Seller will defend, at its own expense, any action against Buyer brought by a third party to the extent that the action is based upon a claim that the Products infringe any U.S. patents or copyrights, or misappropriate any trade secrets, of a third party. Seller will pay those costs and damages finally awarded against Buyer in any the action that are specifically attributable to the claim or those costs and damages agreed to in a monetary settlement of the action. (b) The foregoing obligations are conditioned on Buyer (i) notifying Seller promptly in writing of the action, (ii) making no admission of liability and giving Seller sole control of the defense thereof and any related settlement negotiations, and (iii) cooperating and, at Seller's request and expense, assisting in the defense. (c) If the Products become, or in Seller's opinion are likely to become, the subject of an infringement claim, Seller may, at its option and expense, either (i) procure for Buyer the right to continue using the Products, (ii) replace or modify the Products so that they become non-infringing, or (iii) accept return of the Products and refund Buyer the amounts actually paid by Buyer to Seller for the Products. (d) Notwithstanding the foregoing, Seller will have no obligation under this Section 10 or otherwise with respect to any infringement claim based upon any: (i) misuse or modification of the Products by Buyer or its employees or agents, (ii) use of the Products in combination with other materials, goods, products, or services for which the Products were not intended to be used, (iii) failure of Buyer to implement any update provided by Seller that would have prevented the claim, (iv) Products that Seller made to Buyer's specifications or designs. (e) THIS SECTION 10 STATES SELLER'S ENTIRE LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR INFRINGEMENT CLAIMS AND ACTIONS.
CHANGES:	Seller reserves the right to alter, modify, or redesign its products without any obligation to replace previous shipments to Buyer.
NO LICENSE:	The sale of the Products will not confer upon Buyer any license, express or implied, under any patents, trademarks, trade names, or other proprietary rights owned or controlled by Seller, its subsidiaries, affiliates, or suppliers; it being specifically understood and agreed that all the rights are reserved to Seller, its subsidiaries, affiliates, or suppliers. Without limiting the foregoing, Buyer will not, without Seller's prior written consent, use any trademark or trade name of Seller in connection with any the Products, other than with respect to the resale of the Products pre- marked or packaged by or on behalf of Seller
TERMINATION:	In addition to any other remedies that Seller may have, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under this Agreement and the failure continues for five (5) days after Buyer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.
CONFIDENTIALITY:	All non-public, confidential, or proprietary information of Seller, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, that Seller discloses to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and regardless of whether marked, designated, or otherwise identified as "confidential," in connection with the Agreement is confidential, solely for the use of performing the Agreement, and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer will promptly return all documents and other materials received from Seller. Seller will be entitled to injunctive relief for any violation of this Section 15, without having to post bond or establish the insufficiency of a remedy at law. This Section 15 does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Seller on a non-confidential basis from a third party.
FORCE MAJEURE:	Seller will not be liable for any failures or delays caused by strikes, differences with workers, or any causes beyond the reasonable control of Seller, including but not limited to fires, floods, accidents, action of any governmental authority, war, insurrection or riots, or shortages of labor, energy, raw materials, production facilities, or transportation. Where delays or failures are caused by labor difficulties, Seller will not be obligated to seek or obtain any settlement that, in Seller's sole judgment, is not in Seller's best interest.
COMPLIANCE:	Each party will comply with all applicable laws, regulations, and ordinances, and Buyer will comply with the export and import laws and regulations in effect as of the date of shipment of the Products of any country involved in the transactions contemplated by the Agreement.
GOVERNING LAW; VENUE; DISPUTE RESOLUTION:	(a) All matters arising out of or relating to this Agreement is governed by and construed in accordance with the internal laws of the State of Ohio without giving effect to any choice or conflict of law provision or rule (whether of the State of Ohio or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Ohio. Any legal suit, action or proceeding arising out of or relating to these Terms will be instituted in the federal or State courts located in the City of Cleveland, Ohio. Each party irrevocably submits to the exclusive jurisdiction of the courts in any the suit, action or proceeding. (b) If neither party is a Chinese entity and Seller is not a U.S. entity, then any controversy or claim arising out of or relating to these Terms including, but not limited to, its breach, existence, validity, legality, enforceability, interpretation, performance, nullity, termination or expiration, (a "Controversy") will be settled by binding arbitration; and notwithstanding its place of execution or performance, these Terms will be governed by, and construed under and in accordance with, the Laws of the State of Ohio, USA, irrespective of any laws regarding choice or conflict of laws that direct the application of the laws of another jurisdiction. The place of arbitration will be Cleveland, Ohio, under the rules prescribed by the International Centre for Dispute Resolution ("ICDR") in accordance with its ICDR Rules. Unless the parties agree to a single arbitrator, the arbitration will be heard and determined by three arbitrators, who will be appointed pursuant to the ICDR Rules. The arbitration proceedings will be conducted in the English language. The award will be rendered in writing with the reasons detailed. The award may be in the nature of money damages, injunctive relief, or specific performance as decided by the arbitrator. Either party may initiate arbitration by notifying the other in writing. The arbitrator's ruling and award from such arbitration is final; the parties consent to judgment upon the award; and the award may be entered in any court of competent jurisdiction. (c) If either party is a Chinese entity, the laws of China govern these Terms, irrespective of any laws regarding choice or conflict of laws that direct the application of the laws of another jurisdiction. The Controversy will be submitted to the China International Economic and Trade Arbitration Commission in Shanghai ("CIETAC") for final resolution by arbitration in accordance with the rules and procedures of CIETAC. The CIETAC tribunal will consist of three (3) arbitrators. The parties will at all times comply with, and observe all requirements and rulings of, CIETAC made in relation to any Controversy submitted to CIETAC for resolution. Submission of evidentiary documents may be in copies without the need of notarization unless specifically ordered by the CIETAC tribunal. Any interim decisions or orders by the CIETAC tribunal will be binding, and sanctions may be given on failures of any party in implementing such interim decision or order. Any award or determination by the CIETAC tribunal is final and binding on both parties. The arbitration proceedings will be conducted in the English language. The United Nations Convention on Contracts for the International Sale of Goods does not apply to the Agreement or the documents related thereto. (d) Seller will have the sole and exclusive right to determine whether any dispute, controversy or claim arising out of or relating to the Agreement, or the breach thereof, will be submitted to a court of law or arbitrated. The venue for any the arbitration will be in Cleveland, Ohio. The arbitrator's award may be confirmed and reduced to judgment in any court of competent jurisdiction. In the event the matter is submitted to a court, Seller and Buyer hereby agree to waive their right to trial by jury and covenant that neither of them will request trial by jury in any the litigation.
CHOICE OF LANGUAGE:	It is by the express intention of the parties hereto that the present Agreement and all its related documents be drafted in English. Il est de l'intention expresse des parties à la présente Convention (connaissance, bon de commande, bon de conditionnement ou facture) et tout document s'y rattachant soient écrit en langue anglaise.

RETURNED MATERIALS POLICY:	Permission must be obtained by Ericson Manufacturing Company before any materials are returned. All shipments of returned materials must be marked with the assigned Returned Materials Authorization (RMA) number and accompanied with comments regarding the cause and nature of any product defect or failure. RMA numbers are valid for 30 days and all associated goods must be received within that period. Ericson Manufacturing Company will evaluate returned materials and, if needed, respond to the customer within 10 business days of receipt. Customer disposition on this evaluation must be received within 10 business days. If customer disposition is not received within the period, materials will be returned at the customer's expense. All warranty shipments will be billed at full value. Account will be credited upon receipt of returned goods. Only Make to Stock "Quick Ship" Catalog items within warranty and of current design will be accepted for return to stock. Specialty engineered custom items or Make to Order "Design Build" and "Express Build" Catalog items are non-returnable. Please reference Ericson website for part category designation of "Quick Ship", "Express Build" or "Design Build". Note: Custom items are not published on Ericson website. Materials returned for stock are subject to a minimum 35% restocking charge and must be in new, saleable condition including packaging. Restocking charges may, at the sole discretion of Ericson Manufacturing Company, be waived if returned materials are accompanied by an order twice (2X) the original invoiced value. Additional 20% charge will apply to goods requiring repackaging. Final disposition of credit will be made based solely on Ericson Manufacturing Company's evaluation. No deduction for returned materials is allowable from a remittance until a credit memorandum has been issued by Ericson Manufacturing Company. All credits will be absorbed in the purchase of new orders not existing stock. Cash credits will not be issued. All returned materials must be shipped freight prepaid and accompanied with copies of the original invoice. Goods received without the original invoice may be issued credits equivalent to 50% of current distributor net price.
MERCHANDISE CREDITS:	Valid for one (1) year from date of issuance.
REPAIR OF RETURNED MATERIALS:	Ericson Manufacturing will offer, at the sole discretion of Ericson Manufacturing Company, a repair service for products outside of warranty. If requested, a quote will be issued for repairs before work begins. Repaired items will be warranted for 90 days from date of shipment.
MODIFICATION OF TERMS & CONDITIONS:	These terms and conditions supersede all other communications, negotiations, and prior oral or written statements regarding the subject matter of these terms and conditions. No change, modification, rescission, discharge, abandonment, or waiver of these terms and conditions shall be binding upon Ericson unless made in writing and signed on its behalf by a duly authorized representative of Ericson. No conditions, usage of trade, course of dealing or performance, understanding or agreement, purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound. Any proposed modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Buyer, such acceptance is expressly conditional upon Buyer's assent to any additional or different terms set forth herein.
The Ericson Manufacturing Co. shall not accept and/or recognize any new and/or additional terms and conditions not specifically stated in our current Terms and Conditions unless acknowledged in writing and signed by an authorized representative of Ericson Manufacturing.	