

DUREX INDUSTRIES

STANDARD TERMS AND CONDITIONS OF SALES

1. **Acceptance:** All quotations are valid for sixty days unless otherwise stated. The nature of our business is such that we handle a large number of orders, many of which specify terms and conditions that would add to, or differ from those set forth herein. To negotiate individually with respect to these terms and conditions, which may vary from customer to customer, would seriously interfere with our service to all our customers. Consequently, notwithstanding any terms or conditions that may appear on the Buyer's order Durex products are offered for sale only on the conditions and terms contained herein.
2. **Prices:** Quoted prices and discounts apply only to the specific quantities of items or specific services stated and do not include any taxes, transportation charges, special packaging or labeling or other miscellaneous items or services not specified. Prices are subject to corrections for errors. When so stated on the quotation or order acknowledgement, prices invoiced will be those in effect at time of shipment.
3. **Payment Terms:** Net 30 days upon approved credit. Accounts are opened only with firms or individuals on approved credit. The Seller reserves the privilege of declining to make deliveries except for cash whenever, for any reason, doubt as to Buyer's financial responsibility develops, and shall not, in such an event be liable for nonperformance of contract in whole or in part. A finance charge of 1 ½ percent per month will be added and invoiced to all past due balances. This is an annual percentage of 18%.
4. **Minimum Order Charge:** The minimum order charge shall be subject to the categories listed below:

Stock items:	\$25.00 per line item \$50.00 net order minimum
Non-stock heaters:	\$100.00 net minimum per item
Non-stock sensors:	\$100.00 net minimum per item

5. **Delivery:** All shipment dates quoted are after receipt and acceptance of order, unless otherwise specified. The Seller shall not be liable for delays, losses or failures of performance caused by fires, explosions, floods or other actions of the elements, strikes or other labor disputes from whatever cause arising, embargoes, riots, accidents, acts of public enemies, and/or rules, regulations, orders or acts of governments, delays of carriers, lack of transportation facilities, shortages of available fuel or other sources of energy, or of basic raw materials or any other causes beyond the reasonable control of Seller. The Seller shall in no event be liable for consequential or special damages arising out of delay due to any cause or for failure to give notice of any delay.
6. **Taxes:** Prices do not include any present or future Federal, State or Local sales tax, use, excise, manufacturing, processing or importation tax, or any other tax or charge, that is or may be imposed on the articles or services covered hereby or on subsidiary articles or material incorporated therein. Any such taxes or charges will be added to the invoice as separate items, unless appropriate exemption certificates are furnished to Seller.
7. **Warranty:** Durex warrants its products against defects in material and workmanship, for a period of one year, provided such products are properly applied, used and maintained. Durex does not warrant any products against damage from corrosion, contamination, misapplication, improper specification or operating conditions beyond our control. The terms of this warranty are the exclusive terms available to any person. No person has authority to bind the Company to a representation or warranty other than warranty. Durex is not liable for incidental or consequential damages resulting from use of the product whether a claim for such damages is based upon warranty contract, negligence or other fault. Should any product fail under these warranty conditions it will be repaired or replaced at no charge. Advanced authorization must be obtained within 30 days of failure. However, since Durex has no control over the use and sometimes misuse of the heaters, we cannot guarantee against burnouts.
8. **Returning Merchandise:** The following procedure must be followed on any returns of products to the factory:
 - A. Approval from the factory to return the material must be obtained prior to shipping.
 - B. After receipt of the returns, examination will be made to determine the cause for returning.
 - C. If it is a manufacturing defect, credit will be issued for the material which may be scrapped or a repair order may be entered to repair the returns or a replacement order may be entered. This is at the discretion of Durex.
 - D. If the material is not in warranty, the customer will be notified of the finding and the cost of repair.
9. **Order Changes:** Buyer shall have the right, by giving written notice to Seller, to make changes in quantity, drawings, designs or specifications for the articles to be manufactured. Upon receipt of any such notice, Seller shall notify Buyer as promptly as possible changes in price of, or the time required for performance of the order and an equitable adjustment shall be made in the contract price or delivery schedule or both prior to incorporating said changes into the manufactured article.
10. All stenographic and clerical errors are subject to correction.
11. **Variations in Quantities:** On all orders purchased in footage, Seller reserves the right to ship and invoice for plus or minus ten percent (10%) of total amount ordered. On all manufactured products, it is necessary to allow for losses in production and for this reason, we reserve the right to ship as stated below:

<u>Quantity per Item Ordered</u>	<u>Plus or Minus Variance</u>	<u>Quantity per Item Ordered</u>	<u>Plus or Minus Variance</u>
1-5	None	25-49	3 pcs
6-12	1 pc	50-99	4 pcs
13-24	2 pcs	100 & up	5%