# Utility Market Product General Terms and Conditions of Sale Thomas & Betts Corporation - Effective March 22, 2016

Except to the extent otherwise stated in a separate agreement signed by Thomas & Betts Corporation ("T&B"), a Member of the ABB Group, the following Terms and Conditions will govern all transactions between T&B and any party placing orders with T&B for the purchase of Utility Market products.\* By placing an order with T&B, such party acknowledges its unqualified acceptance of these terms and conditions. No modification of these terms and conditions and no additional term or condition stated in any other document or electronic communication will be binding upon T&B unless the term or condition has been specifically approved in writing by an authorized representative of T&B.

#### <u>NOTE</u>: THAT UTILITY MARKET PRODUCTS INCLUDE: ELASTIMOLD SWITCHGEAR, ELASTIMOLD RECLOSERS, JOSLYN HIGH VOLTAGE VAR BREAKER MASTER, JOSLYN HIGH VOLTAGE VERSAVAC AND JOSLYN HIGH VOLTAGE MOLDED VACUUM INTERRUPTER.

#### Payments

T&B payment terms for the Utility Market are net thirty (30) days from date of invoice. A finance charge of one and one-half percent per month (or at the highest rate allowed by law, whichever is less) will be assessed on past due balances. Any amounts owed to T&B are subject to set off against any credits due.

#### Shipments

- All orders are F.O.B. shipping point with freight costs being collect, prepaid and added or prepaid and allowed. Full freight will be allowed on domestic shipments of \$2,500.00 or more to destinations in the continental U.S.
- T&B B will not drop ship orders outside of the United States. Customer will be responsible for providing its own export documentation at the border and will make necessary arrangements for export formalities regarding these shipments
- T&B will, at its discretion, provide routing for all shipments. Special routing, including air shipments, will be made at customer's expense upon written request by the customer.
- When the transportation charges are the responsibility of the customer, shipments will be made prepaid and all transportation charges will be added to the invoice.
- All orders accepted by T&B, whether or not delivery dates are specified thereon, are subject to delays or failure in manufacture or delivery due to causes beyond the control of T&B.
- Customer will be responsible for filing claims with the carrier for damage, shortages or losses in shipment.

### **Pricing Information**

- 1. Orders of any size will be accepted. However, orders less than \$250.00 will be subject to a \$25.00 handling charge.
- 2. Purchase orders must reference T&B's quotation number(s) and include the quoted price(s). Failure to include this information will result in billing and invoicing at standard prices. Quotations based on plans and specifications are subject to the interpretation of the requirements by T&B, and include only the material described and listed on the quotation. Quotations made by T&B will be in writing and will terminate 30 days after the issue date, unless otherwise stated in the quotation.
- Orders must include the correct prices and discounts that should be invoiced by T&B. Additional discounts to invoiced price(s) will be rebilled. Orders with incorrect terms will not be accepted.
- 4. Price(s), minimum/multiple quantities and amounts, and inventory classes are subject to change without notice, and are those in effect at the time of shipment. All quoted prices are subject to change without notice in the event of any increase in raw material or energy costs. All clerical, typographical and mathematical errors in any quotation are subject to correction by T&B.
- Items indicated with minimum/multiple package quantities are not breakable under any circumstances. This includes drop shipments, special handling, and samples. There are no system overrides on an order basis.
- All orders, whether entered via EDX or manually are subject to carton lot rounding. Certain items are packaged and sold in minimum/multiple lots only. Made-to-order items may be subject to minimum order quantities if no current stock or inventory exists at the time an order is placed.

#### Merchandise Credit

All credits issued by T&B expire one year after the date of issue.

## Taxes

Customer will be responsible for applicable sales, use, excise and other taxes imposed by law on the sale of T&B products.

# Returned Goods

- 1. Product return privileges will be granted to all stocking distributors and customers once during each calendar year to provide for an annual inventory adjustment.
- 2. The annual inventory adjustment return may not exceed 5% of the previous year's net stock purchases and must be accompanied by a return material authorization and a stock order of equal or greater value.

- 2. In addition to annual stock adjustments and returns under warranty, products may be returned for credit at T&B's discretion upon request and receipt of approval through a return material authorization. Such returns will be subject to a 35% restocking charge. Material must be in saleable condition, in the original standard packages, and conform to current catalog descriptions.
- 3. Credits for returns will be calculated at the original purchase price and will be granted only for material in original packaging and in saleable condition. All products designated as "non-returnable" or "made-to-order" (either published or non-published) are non-cancellable and non-returnable. Items indicated with minimum/multiple package quantities must be returned in full minimum/multiple quantity. Any material that has been in stock more than 12 months from the date of the original invoice will not be accepted for return.
- 4. All returned material must be shipped freight prepaid. No other return shipments will be accepted.
- 5. No products will be accepted for return until an approved, written return material authorization has been issued by T&B.
- All returns are subject to inspection and acceptance by T&B prior to the issuance of any credit for the returned material.

## Cancellations

- Cancellation of orders will be accepted only prior to the time that the order has been staged for shipment. Customer will reimburse T&B for all costs incurred as a result of the cancellation.
- Special(s) and "made-to-order" products (either published or unpublished) are noncancellable and non-returnable.

#### Claims

- 1. Claims for shortages or deductions for erroneous charges must be made in writing within 15 days of the date of invoice or will not be allowed.
- 2. Pricing claims for erroneous pricing or charges must be made within 180 days from the date of the invoice. Claims beyond 180 days will not be allowed.

## Compliance with Laws

- By placing an order with T&B, Customer represents, warrants and covenants that:
- Customer will comply all applicable laws and regulations of the United States and all other jurisdictions governing the marketing, sale, export and distribution of T&B products, including, but not limited to, the U.S. export control laws and the U.S. Foreign Corrupt Practices Act.
- 2. Customer has not paid, offered to pay, agreed to pay, or authorized or caused to be paid, directly or indirectly, any money or anything of value to any foreign official (as defined in the U.S. Foreign Corrupt Practices Act) to induce such official to use their influence to obtain an improper business advantage in connection with the purchase and resale of T&B products, nor will Customer do so at any time in the future.

## Limited Warranty and Limitation of Liability

- T&B warrants that its products will be free from defects in material or workmanship for a period of two years, except for tools, which are warranted for 90 days; Fisher Pierce products and Elastimold Reclosers, which are warranted for three years; and Joslyn VBT and VBU capacitor switches, which are warranted for four years or 40,000 operations, whichever occurs first. Upon prompt notification of a warranted defect, T&B will, at its option, repair or replace any products found to be defective.
- 2. In no event shall T&B be liable for any consequential, indirect or special damages, nor will T&B be liable for transportation, labor, or other charges arising out of the removal or reinstallation of its products. Liability for breach of warranty is limited to the cost of repair or replacement of the warranted product only.
- Misuse, misapplication or modification of T&B products immediately voids all warranties.
- 4. In no event will T&B be liable for any consequential, indirect or special damages nor (except as may otherwise specifically be agreed to in writing through an authorized representative) shall T&B be liable for transportation, labor, or other charges arising out of the removal or reinstallation of its products. Liability for all claims, including but not limited to claims for breach of warranty, is limited to the value of the purchase order.

## Force Majeure

T&B shall neither be liable for loss, damage, detention or delay nor be deemed to be in default for failure to perform when prevented from doing so by causes beyond its reasonable control, including, but not limited to, acts of war (declared or undeclared), Acts of God, fire, strike, labor difficulties, acts or omissions of any governmental authority or of Customer, compliance with government regulations, insurrection or riot, embargo, delays or shortages in transportation or inability to obtain necessary labor, materials, or manufacturing facilities from usual sources or from defects or delays in the performance of its suppliers or subcontractors due to any of the foregoing enumerated causes. In the event of delay due to any such cause, the date of delivery will be extended by period equal to the delay plus a reasonable time to resume production, and the price will may adjusted to compensate T&B for any reasonable expense associated with such delay.

NOTE: ALL GENERAL THOMAS & BETTS CORPORATION TERMS AND CONDITIONS SHALL APPLY TO THE PURCHASE OF UTILITY MARKET PRODUCTS EXCEPT WHERE THEY CONFLICT WITH THE ABOVE TERMS. IN CASE OF CONFLICT BETWEEN THE GENERAL THOMAS & BETTS CORPORATION TERMS AND CONDITIONS, THEN THE PROVISIONS OF THIS PROJECT SCOPE DOCUMENT SHALL HAVE PRECEDENCE.

NOTE: SEE PAGE 2 FOR FURTHER TERMS AND CONDITIONS THAT APPLY FOR UTILITY MARKET PRODUCTS.



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# Utility Market Products General Terms and Conditions of Sale Thomas & Betts Corporation - Effective March 22, 2016

Utility Market products include Elastimold Switchgear, Elastimold Reclosers, Joslyn High Voltage Var Breaker Master, Joslyn High Voltage VerSaVac and Joslyn High Voltage Molded Vacuum Interrupter.

## **Proposal Scope**

The scope for this project is solely captured in the configurator proposal and/or project scope document.

## Customer Approval of Project Scope

- 1. Review: The customer first reviews the proposal document.
  - a. After customer completes the review of this scope, changes shall only be made by a change that is captured in the configurator project scope document and mutually agreed to by T&B and customer.
  - b. No other oral or written communication shall constitute a project scope change.
- Approval: The customer's valid and accepted purchase order will constitute acceptance of the proposal and authorization for T&B to proceed with the design per the agreed project scope.

### Design Engineering

T&B will schedule and proceed with design engineering work upon receipt of new or revised purchase order acknowledgment.

### Sales Drawing

Upon completion of the engineering design, a sales drawing will be provided to the customer for review and approval.

### **Review Period and Changes to the Scope**

Customer shall have up to seven (7) calendar days to review and return either a signed sales/engineering drawing:

1. With no changes:

T&B will release the project to production, which constitutes customer authorization for T&B to procure necessary materials for the job. A target ship date will be scheduled or reconfirmed.

2. With changes not captured in the specification:

- A change order will result in T&B re-quoting the price and/or lead time if there is an impact to either; and
- b. A non-refundable engineering change fee of \$3,000 will be applied.

- If additional changes are requested after receiving revised drawings then:

   This will result in T&B re-quoting the price and/or lead time if there is an impact to either; and
  - b. A non-refundable engineering change fee of \$3,000 will be applied.
- 4. If the customer takes longer than seven (7) calendar days to review, sign and accept the sales/engineering drawing:
  - a. The lead time for the shipping of the materials ordered may be re-quoted.

## Completion of Design and Release to Operations

- 1. By returning a signed sales/engineering drawing, customer authorizes T&B, under the provisions of this document to:
  - a. Complete the design and create the bill of materials (BOM) and release this to Operations; and
  - b. Operations will: i. Procure materials for the manufacturing of the design; and
    - ii. Schedule a production slot and proceed to manufacturing.

Change Orders after the Approval of the Sales/Engineering Drawing

- 1. Prior to two weeks before the ship date will result in:
  - a. An engineering charge of 10% of the system price;
  - Plus applicable charges for any material costs that have been incurred that will no longer be used for the project; and
  - c. A re-quote of the price and lead time required to make the changes.
- 2. Within two weeks of the CONFIRMED SHIP DATE:
  - a. The design is frozen and no changes will be made.
  - b. If the order is cancelled, customer must pay 25% cancellation and restocking charge, plus the material cost associated with this custom engineered design.

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