

**JINPAN INTERNATIONAL (USA) LTD.  
STANDARD TERMS AND CONDITIONS OF SALE**

**Warranties: Jinpan International (USA) LTD. (“JST”)** is warranted to be free from defects in material, workmanship, under normal and proper usage, for a period of 18 months from the date of shipment or 12 months from the date of installation, whichever comes first. Warranty on accessory equipment purchased by JST will be per the supplier’s warranty. All warranty claims must be authorized in writing by JST.

**Response to Equipment Problems:** Reported warranty or field problems will be responded to within 48 hours by JST with a corrective action plan. Any related charges will be accepted by JST only if authorized in advance and in writing by JST management. All equipment material returns must be accompanied with a Material Return Authorization number from JST. Material returned without an authorization number may be refused and returned to the sender at their expense.

**Delivery:** Delivery dates are approximate and are based upon prompt receipt of all necessary information from Buyer. Unless otherwise specified by JST, delivery will be made and title will pass F.O.B. point of shipment to Buyer. Risks of loss or damage pass to Buyer on delivery. The buyer must make all claims for shortage or damage in transit against the carrier.

**Excusable Delays:** Delivery schedules are made in good faith. JST shall not be liable for delays beyond its control, such as those caused by strikes, accidents, fires, or others factors. In the event of any such delay, there will be no termination and the date of delivery shall be extended for a period equal to the time lost by reason of the delay. In the event of an unexcused and material delay, the parties will mutually agree to an equitable solution.

**Limitations of Liability:** JST’s liability is limited to the FOB purchase price of the equipment. In no event will there be liability for consequential damages for any reason.

**Price:** All prices are quoted FOB factory, plus delivery charges when applicable. Quoted prices are firm for 30 days unless otherwise stated. Freight charges are based on use of standard containers and standard delivery times and practices. Changes by the purchaser to quote delivery terms, resulting in added charges, will be the responsibility of the purchaser.

**Payments and Financial Conditions:** Payments are due net 30 days from the date of delivery. Interest will be charged on unpaid balances at the rate of 1.5% for each 30 days or parts thereof past due. If the Buyer delays shipments, payments shall become due from the date JST is prepared to make delivery. Pro-rata payment shall become due as deliveries are made. Payment will become due when JST is prepared to ship when the purchaser delays shipment. Payment shall be made based on percent completion when purchaser cancels or delays the order completion. Apparatus held for the Buyer shall be at the Buyers risk and expense. If Buyer’s financial condition at any time does not justify continuance of the work to be performed by JST on the agreed terms of payment, JST may require full or partial payment in advance. In the event of Buyer’s bankruptcy or insolvency or in the event any proceeding is brought against Buyer, voluntarily or involuntarily, under the bankruptcy or any insolvency laws, JST shall be entitled to cancel any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its proper cancellation charges.

**Taxes:** Buyer shall pay the gross amount of any present or future sales, use, excise, value-added, or other similar tax applicable to the price, sale or delivery of any products or services furnished by JST.

**Order Acceptance and Changes:** Prior to acceptance, all purchase orders are subject to review by JST for consistency to the original quotation and customer credit review. JST’s written acknowledgement, after receipt of a purchase order, constitutes acceptance of the order by JST. JST reserves the right to adjust prices for alterations or changes requested by the purchaser prior to acceptance of the order. Such changes must be accompanied by a change order from the purchaser. Changes in the order content or cancellation of a purchase order, after order entry, and prior to release for manufacturing, may result in a charge consistent with the cost to JST for making the change.