



Terms and Conditions

In order to protect your interests as well as those of all of our customers, in accepting your order, it is necessary to make certain conditions as part of this quotation. These conditions are stated below and the quotation is subject to the following: There are no agreements, understandings, or stipulations relative to the sale that are not fully expressed on this form. ACCEPTANCE OF THIS OFFER MUST BE MADE ON ITS EXACT TERMS. ACCEPTANCES OR CONFIRMATIONS THAT STATE ADDITIONAL OR DIFFERING TERMS FROM THIS QUOTATION SHALL BE OPERATIVE AS ACCEPTANCES, PROVIDED, HOWEVER, THAT ALL ADDITIONAL OR DIFFERING TERMS, WHETHER OR NOT MATERIAL, ARE NOT PART OF THE CONTRACT BETWEEN BUYER AND SELLER UNLESS EXPRESSLY ASSENTED TO IN WRITING BY SELLER.

1. All agreements, including delivery promises, are contingent upon strikes, fires, accidents, delays in procuring suitable material, governmental interference, or other causes beyond our control, and are subject to change.
2. Prices are subject to change without notice unless specifically stated otherwise. Price shall be price in effect at time of shipment except as limited by number 3 below.
3. When deliveries specified extend beyond 90 days from date of order or when delays beyond our control prevent production of your order within this period, we reserve the right to adjust prices at expiration of such 90-day period and at any time thereafter on the basis of price in effect at time of shipment.
4. For orders entered as Hold For Approval, quoted lead time is considered after approval and release to production and the ship date will be entered as best available at the time of release. The expectation is that the approval and release to production shall be provided within one week of receipt of Drawings. Should this approval and release to production be delayed by Buyer, the price of delayed items shall be escalated based on the time delayed as follows: > 60 days = 2% escalation, >90 days = 3% escalation, >120 days = 4% escalation, >150 days = 5% escalation, >180 days = item cancellation along with 25% Engineering/Drawings complete Cancellation Charge.
5. Any taxes (except income taxes) which may now or hereafter be imposed by any taxing authority in respect to this instrument or product or sale contracted for therein are to be added to and become a part of the price payable by the buyer.
6. CANCELATIONS, MODIFICATIONS, AND DEFERRED DELIVERIES: (with the exception of clerical errors), the order cannot be cancelled or modified, nor can delivery scheduled be changed without the written consent of both the seller and the buyer and upon terms that will indemnify Seller against any loss. ANY CHANGE IN SHIPPING TERMS FROM ORIGINAL QUOTED DELIVERY IN REGARD TO CARRIER, TRUCK, OR TRAILER TYPE, EXPEDITED DELIVERY, OR CHANGE IN DELIVERY LOCATION WILL BE AT THE EXPENSE OF THE BUYER.
7. On all sales made F.O.B. our plant: our responsibility ceases as soon as delivery to the carrier or transportation company has been made. On delivered goods, our responsibility ceases as soon as delivery has been made to you.
8. Claims for shortages, damages, or defects must be made immediately upon receipt of goods, and such goods are to be help by you subject to our written disposition.
9. THE EXCLUSIVE REMEDIES OR BUYER UNDER THIS CONTRACT ARE, AND SELLER'S LIABILITY IS LIMIED TO, REPLACEMENT OF GOODS SOLD HEREUNDER OR SELLER'S COST TO REPAIR SUCH GOODS, WHICHEVER IS LESS. SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHATSOEVER.
10. TERMS: Expected payment for Established Customers: orders under \$100,000.00: net 30 days; overs over \$100,000.00: 20% at order approval, 30% at shipping, remainder net 30 days. Expected payment for New Customers: Please contact Customer Service for terms. Each delinquent account shall bear interest at 1.5% per month, 18% per annum, or the maximum interest rate allowed by applicable law, whichever is less. Notwithstanding anything to the contrary contained herein, no provision hereof shall require or permit the

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collection of interest in excess of such maximum rate. If legal action is necessary for the purpose of collecting any amount due hereunder, buyer agrees to pay seller's attorney's fees incurred in the taking of such action. Any credit card transaction is subject to a processing fee.

11. Buyer grants this contract to Seller a security interest in all material sold hereunder to Buyer, which security interest attaches upon the acquisition by Buyer of any rights in such a material. Such security interest secures payment of all indebtedness of Buyer to Seller, now or hereafter arising, absolute or contingent. Seller shall have rights and remedies provided by the Uniform Commercial Code upon insecurity or failure of Buyer to make a payment when due.
12. All transformers conform to ANSI and NEMA standards, where applicable. Special or non-routine ANSI, NEMA, and/or witnessed tests are not included in this quote unless specified.
13. This contract is expressly performable in Waco, McLennan County, Texas, and venue of any action arising out of or in any way related to this contract shall be in McLennan County, Texas. BUYER AND SELLER ACKNOWLEDGE THAT THIS TRANSACTION BEARS A REASONABLE RELATION TO THE STATE OF TEXAS AND AGREE THAT THE LAW OF TEXAS WILL GOVERN THEIR RIGHTS AND DUTIES. FURTHER, BUYER HEREIN SUBMITS TO THE JURISDICTION OF THE COURTS OF TEXAS IN CONNECTION WITH ANY ACTION ARISING OUT OF THIS QUOTATION OR ANY CONTRACT WHICH ARISES OUT OF THIS QUOTATION BETWEEN BUYER AND SELLER.
14. Cancellation Schedule: Order Entered- 5% charge if cancelled. Engineering/Drawings Complete- 25% charge if cancelled. Order Released for Production- 50% charge if cancelled. Production Stated- 100% charge if cancelled.
15. WARRANTY: We agree to correct any defect in workmanship or material which may develop when operating under normal load, usage, conditions, and competent supervision within a period of twelve months from date of energization or eighteen months from date of shipment, whichever occurs first. Any such defects in material or workmanship will be repaired or replaced (at VanTran's option) by VanTran and per our written instructions, f.o.b. VanTran Waco, TX. We will not be liable for any expenses incurred in removal/re-installation or transportation of said product. VanTran is not responsible for any consequential losses or damages without prior authorization in writing from VanTran. Corrections of defects by repair or replacement by VanTran shall constitute fulfillment of all obligations to the customer.

THERE ARE NO OTHER WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE MATERIALS BEING SOLD THAT HAS CREATED OR AMOUNTED TO AN EXPRESS WARRANTY THAT THE MATERIALS WOULD CONFORM TO ANY SUCH AFFIRMATION OR PROMISE. ANY DESCRIPTION OF THE GOODS CONTAINED IN THIS QUOTATION IS FOR THE SOLE PURPOSE OF IDENTIFYING THE GOODS, AND NO DESCRIPTION OF THE GOODS HAS BEEN MADE PART OF THE BASIS OF THE BARGAIN OR HAS CREATED AN EXPRESS WARRANTY THAT THE GOODS WOULD CONFORM TO ANY DESCRIPTION MADE BY SELLER.

SELLER DISCLAIMS ANY WARRANTY OF MERCHANTABILITY WITH RESPECT TO ALL MATERIAL SOLD PURSUANT HERETO.

SELLER DISCLAIMS ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WHATSOEVER WITH RESPECT TO ALL MATERIALS SOLD PURSUANT HERETO.

VANTRAN INDUSTRIES, Inc.