

Terms and Conditions of Sale and Warranty



Terms and Conditions

General

1.1. The following Terms and Conditions of Sale ("Terms") apply to the sale of products described in this Product Guide ("Products"). As used herein, "Seller" or "Belimo" refers to Belimo Aircontrols (USA) Inc. or Belimo Aircontrols (CAN) Inc., as applicable, and "Client" refers to the individual or business entity that purchases the Products from Seller. These Terms shall apply unless the parties mutually agree to different terms and memorialize such agreement in a writing signed by both Client and Seller.

II. Price

2.1. The Seller's price for Products (the "Price") is net, F.O.B. Point of Origin, and is calculated in US currency for sales made by Belimo Aircontrols (USA), Inc. and calculated in Canadian currency for sales made by Belimo Aircontrols (CAN) Inc.

2.2. The Price, unless otherwise agreed upon, does not include freight and packaging (wooden crates, pallets, etc), the costs of which will be charged to Client at cost for each shipment and shall be payable with payment of the Price.

2.3. Orders for Products with a net value of less than US\$300 (CAN\$450) will be subject to a US\$20 (CAN\$35) handling fee (the "Handling Fee"). The Handling Fee will not be charged for orders of Products with a net value equal to or greater than US\$300 (CAN\$450) or for Products ordered through Seller's internet ordering system at: www.belimo.com.

2.4. Seller reserves the right to make partial deliveries of orders of Products, each of which deliveries may be invoiced separately by Seller.

2.5. The Price does not include charges for wiring diagrams, installation, and commissioning, which will be charged to Client separately and will be payable on demand.

III. Payment

3.1. Invoices are payable in US currency for sales made by Belimo Aircontrols (USA), Inc. and in Canadian currency for sales made by Belimo Aircontrols (CAN) Inc. and are due no later than 30 days from the date of invoice, without any deductions.

3.2. If Client fails to pay the entire invoice balance within 60 days from the date of the invoice, Client will be subject to an interest charge of 2% per month (or the maximum rate permitted by law, whichever is less) on the outstanding unpaid balance due to Seller.

3.3. Clients who maintain outstanding balances for 45 days or more after the date of invoice may be subject to restricted shipments of Products or may be required to pay for all future deliveries of Products on a cash-on-delivery basis.

IV. Title and Risk

4.1. Title to all Products shall remain with Seller and shall not pass to Client until Seller has received full payment for the Products.

V. Damage or Loss in Transit

5.1. Seller assumes no liability for damage or loss of shipment of Products, which risk shall at all times remain with the carrier. All shipments must be unpacked and examined by Client immediately upon receipt. Any external evidence of loss or damage must be noted on the freight bill accompanying the shipment of Products or carrier's receipt and signed by the carrier's agent at the time of delivery. Failure to do so will result in the carrier's refusal to honor any claim relating to damage of Products. Client must also notify Seller of such damage by providing Seller with a copy of the freight bill or damage report so that Seller can file a claim for loss or damage in transit with the carrier. If the damage does not become apparent until the shipment is

unpacked, Client must make a request for inspection by the carrier's agent and file with the carrier within 15 days after receipt of product and notify Seller of the same. Seller is not liable for consequential damage to Client's property or a third-party's property resulting from the installation of damaged Products.

VI. Delivery

6.1. Seller undertakes to make every attempt to adhere to its stated delivery parameters and to make a timely delivery of the Products but does not guarantee any delivery specifications. Each contract entered into for the purchase of Products is not cancelable nor is Seller liable for any direct or indirect losses that may arise, for any reason whatsoever, due to Seller's failure to meet any stated or assumed delivery schedules.

VII. Return of Goods

7.1. Products received by Client cannot be returned unless: (i) Client alerts Seller that it intends to return such Products, (ii) Seller agrees to accept the return of such Products, (iii) Client obtains a Return Material Authorization ("RMA") number from Seller for the return of such Products, and (iv) Client follows all return instructions provided by the Seller. The RMA number must be clearly written on the outside of all packaging for any returned Products. Only Products returned to the proper location as instructed by Seller and identified with an RMA number will be considered for credit.

7.2. Only Products that are returned in original packaging may be accepted for return. All returned Products must be shipped to Seller at Client's cost. Such returned Products must be received must be received within 1 yr. from original sale date, in as-new condition, adequate for resale as new Products to qualify for credit. Client will be responsible for payment of a restocking charge for all returned Products in an amount no less than 20% of the invoice value of the Products ("Restocking Charges"). Product received damaged or showing evidence of having been installed will be refused or assessed a higher restocking charge. Custom kits designed to a Client's unique specifications are not returnable. If Client requests product to be returned to them, the Client will be responsible for return shipping charges. See specific product literature for exclusions or exceptions.

7.3. Returns that result from Seller errors will be credited in full and will not be subject to Restocking Charges.

VIII. Warranty

VIII.A 5-year Warranty

8.1. Products that are listed in this Product Guide as carrying a 5-year warranty to a location in the United States or Canada shall carry a 5-year warranty. The 5-year warranty is unconditional for the first two years from the date of production of the Products. After the first two years from the date of Production, the warranty shall be conditional and the warranty coverage shall not apply to damage to Products caused by ordinary wear and tear, negligence or improper use by Client, or other causes beyond the control of the Seller. Product specific terms of warranty with regard to warranty period or conditions of warranty may apply to certain specified Products as stated in the documentation for those Products.

VIII.B 2-year Conditional warranty

8.2. Products that are listed in this Product Guide as carrying a 2-year to a location in the United States or Canada shall carry a 2-year warranty. The 2-year warranty is conditional and the warranty coverage shall not apply to damage to Products caused by ordinary wear and tear, negligence or improper use by Client, or other causes beyond the control of the Seller. Product specific terms of warranty with regard to warranty period or conditions of warranty may apply to certain specified Products as stated in the documentation for those Products.



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VIII.C General Warranty Terms

8.3. Seller's warranty may be null and void in the event of any: (a) modification or unauthorized repairs of Products by Client, (b) unauthorized incorporation or integration of Products into or with Client's equipment, (c) use of Products in an unauthorized manner, or (d) damage to Products not caused by Seller.

8.4. Client must promptly notify Seller of Products' alleged defect and provide Seller with other evidence and documentation reasonably requested by Seller. Before removing Products from service, Client should contact a Seller-authorized support technician by calling Belimo customer service. The contact information for Belimo customer service is listed on the back page of Belimo's Product Guide and Price List ("PGPL") or may be found at www.belimo.com. Belimo customer service will work with field technicians to troubleshoot problems. Many problems can be resolved over the phone.

8.5. If a problem cannot be resolved over the phone, an RMA number will be issued by Seller for return of the Products. Prior to returning any Products under a warranty, Client must obtain an RMA number from Seller, along with shipping instructions for the return. The RMA number must be clearly written on the outside of the box containing the returned Products. Only Products returned to the proper location and identified with an RMA number will be accepted by the Seller.

8.6. All returned Products should be packaged appropriately to prevent further damage. Seller reserves the right to refuse any returned material if improperly packaged or labeled (without an RMA number). Products returned without proper RMA documentation will void Seller's warranty.

8.7. Products found to be defective for which a warranty is applicable will either be replaced or repaired at the Seller's discretion. Seller is not responsible for charges that Client may incur as a result of the removal or replacement of Products.

8.8. Repaired or replacement Products are shipped from Seller via ground shipment. Other shipping methods are available at the sole expense of the Client.

8.9. Repaired, replaced or exchanged Products will carry a warranty for a period of time equal to the greater of: (i) the remainder of the original 5-year warranty or 2-year warranty that was applicable to the repaired, replaced or exchanged Products, or (ii) six months, effective from the date the repaired, exchanged or replaced Products are shipped by Seller (the "Replacement Warranty Period").

8.10. Advanced replacement Products for Products covered under warranty may be obtained from Seller after the Belimo customer service troubleshooting process has been completed. For industrial products (such as butterfly valves), a purchase order is required. The purchase order will be credited upon the receipt and verification by Seller of the returned defective Products. For non-industrial products, an invoice will be issued and shall be due and payable if the returned Products are not received by Seller within 60 days from the date of that the replacement Products are shipped. Additional charges may apply if the nature of the problem has been misrepresented by Client.

8.11. Both the conditional and unconditional warranties cover the Products only, and do NOT cover labor associated with the troubleshooting, removal or replacement of such Products.

8.12. New Products ordered in an attempt to circumvent the warranty process may NOT be reimbursed if, upon receipt of returned Products, it is determined that the defect in the returned Products is actually field related, or the Products have been returned for cosmetic reasons only.

8.13. Advanced replacement Products for butterfly valve actuators may not be new, but have been verified by the Seller for electrical and mechanical operation. Such Products carry the full warranty for the entire Replacement Warranty Period.

IX. No Warranty for Non-HVAC Application

9.1. All Seller warranties shall extend only to HVAC use of the Products. If Products are used in non-HVAC application (e.g., aircraft, industrial processes, etc.), Seller's warranties shall not cover such Products. Client will be solely responsible for any damage to or malfunction of Products or for any damage resulting from such use of Products.

X. Liability Disclaimer

10.1. These Terms constitute the entire understanding and agreement between Seller and Client regarding the warranties that cover Products and supersedes all previous understandings, agreements, communications and representations. Seller shall not be responsible for and Client does not have any right to make any claim for, damage that occurs to any property other than Products. Seller shall in no way be responsible for any costs incurred by Client in the determination of the causes of damage to any of Client's property, for expert opinions, or for any punitive or special, incidental or consequential damages of any kind whatsoever.

10.2. Seller shall not be liable for any damage resulting from or contributed by Client or third parties acting within the scope of responsibility of Client or such third party when:

1. Products are used for non-HVAC applications, such as in aircrafts, industrial processes, etc.;

2. Client uses the Products without complying with applicable law or institutional regulations or Belimo data and installation sheets or Client uses the Products without following good industry practice;

3. Products are used by personnel who have not received suitable instruction; or

4. Products are modified or repaired without the written approval of Seller.

When requested to do so, Client shall immediately release Seller in full from any possible third party claims resulting in connection with the circumstances listed above. This also applies to claims in connection with product liability.

10.3. If Client becomes aware that any third party has made or appears likely to make any claim regarding Products (including, without limitation, regarding Product defects or rights infringed by Products), then Client shall immediately inform Seller and afford to Seller all assistance that Seller may require to enforce its rights and defend such claim.

XI. Proper Law and Jurisdiction

11.1. All sales of Products under these Terms and the warranties described herein shall be governed by the laws of the State of Connecticut, and the parties agree to submit to the exclusive jurisdiction of the Federal and state courts located in the State of Connecticut with respect to any dispute arising from the subject matter hereof. The parties hereby waive all rights to a jury trial in connection with any claims relating to the subject matter hereof.