

# Anaheim Automation, Inc.

## Distributor Terms and Conditions

Effective 2/15/07

### Open Accounts

Anaheim Automation extends credit to Authorized Distributors with a good published credit rating. New Distributors may apply for an Open Account by filling out Anaheim Automation's Credit Application form, or by supplying their company's credit information to the Accounting Department. All purchase orders are shipped COD, wire-transfer, VISA, Mastercard, American Express or Discover, until an open account is established.

### Payment Terms

Terms are Net 30 days. FOB is Anaheim, California.

### Account Management and Remedies

In the event it becomes necessary for Anaheim Automation to file suit to enforce payment of past due invoices, such a suit will be brought in Orange County, California. Anaheim Automation shall be entitled to collection of fees, court costs, and interest at 10% per annum or such legal maximum rate as is allowed, on all invoice amounts past due. All Purchase Agreements are governed by the laws of the State of California.

### Shipping

Anaheim Automation ships UPS Ground. If the Distributor chooses another carrier, prefers to use their own account number, or a premium routing method, this information must be clearly stated on the Purchase Order and confirmed, in writing, by Anaheim Automation. The Distributor must authorize any additional expenses that will incur. If quoted "stock," and Anaheim Automation, has confirmed a Purchase Order by noon PST, the order will ship the same day. For customers with an urgent request, there exists a possibility to ship later the same day the order is received. However, an "expedite fee" is charged, along with any other expenses incurred to fulfill this request. Drop Shipments to the Distributor's customer are done so at no additional charge.

All promises of shipment or delivery are approximated as closely as possible by Anaheim Automation, but are subject to delivery estimates made by our suppliers, weather conditions, fires, strikes, disputes, accidents, delays in transportation, material, fuel, or labor shortages, or any other cause beyond reasonable control of Anaheim Automation. ***In no event will Anaheim Automation assume any responsibility for any delays in shipments or deliveries.***

### Expediting Orders

If an order must be expedited, interfering with the normal flow of manufacturing, a minimum of a 15% "expediting fee" will incur. The minimum "expediting fee" is \$50.00 per order.

### Blanket Orders

Blanket Orders must be confirmed with a written Purchase Order, and include scheduled release dates. Any changes to the schedule, or the quantity purchased, must be agreed upon by Anaheim Automation, and a written "Change Order" must be processed to confirm such changes. A thirty-day notice is required for Change Orders. No more than two adjustments are allowed per year. **Blanket Orders are Non-Cancelable and Non-Returnable.**

### Shortages or Damages

All claims for shortages or shipment errors must be made within 15 days after the receipt of the shipment. Anaheim Automation's liability is limited to the value of the product listed on the invoice. Claims for other loss or damages are filed against the carrier involved in the specific shipment.

### Discontinued Items

Items are subject to change or discontinuance without notice. Ask Customer Service for advice regarding any possible product substitution for your application.

### Returns (RMA) and Repairs

Product being returned to Anaheim Automation must have a RMA (Return Materials Authorization) number assigned by the factory, and the RMA must be referenced on all the paperwork accompanying the return/repair. Items that do not reference the RMA number will not be processed. Do NOT return product using a Debit Memo. No product will be accepted for Credit after 120 days from the date of shipment. Product must be shipped with freight prepaid. ***Special, custom or modified products are Non-Returnable, and no credit shall be offered.***

Product in need of repair must have previous authorization to return it to the factory. It is critical to do so, as the advice the factory can offer is invaluable, and can often save the customer money. The factory will determine upon inspection whether the product is covered under warranty. The factory charges a "flat-rate" fee, based on model number, regardless of the problem found. The fee is charged for all returns, including those where no problem is found, as inspection, test and burn-in procedures are time-consuming.

### Cancellations and Restocking Charges

Cancellation of any order must be approved by Anaheim Automation and will be on terms that protect us from any loss. The minimum restocking charge is 15% on all product returned. Returns must be made within 120 days of receipt of product. Distributors can avoid the Restocking Charge if an offset purchase order is placed for equal or greater value. In all cases, the shipping charges are paid by the Distributor. All products are subject to factory inspection and must be in resellable condition to receive credit. ***Special, custom and modified products are Non-Returnable and Non-Cancelable.***

### Limited Warranty

All Anaheim Automation's products are warranted against defects in workmanship and materials, when used under normal operating conditions, and when used in accordance with the factory's specifications. This warranty is in effect for a period eighteen months from the date of shipment. Anaheim Automation will repair or replace at its' option, any of its products found to be defective and are within the warranty period. Anaheim Automation is not responsible for removal, installation, or incidental expenses incurred in shipping to and from the factory. Anaheim Automation is not liable, under any circumstances, for any consequential, incidental or indirect damages or expenses associated with the warranted product. Product that is damaged due to misuse, abuse, negligence, exposure, improper installation or hook-up, or has been modified or dismantled, is NOT covered under this warranty.

### Engineering or Technical Assistance

Technical assistance is available to help the Distributor in choosing Anaheim Automation's products for a specific application. However, any selection, quotation, or application suggestions offered by Anaheim Automation, or its representatives, are only to assist, and in all cases, determination of fitness for purpose or use are solely the Distributors' responsibility. While every effort is made to offer solid advice and to produce technical data and illustrations accurately, such advice and documents are for reference only, and subject to change without notice. Programming of product is solely the end customer's responsibility.

***All sales are made pursuant to the Terms and Conditions herein, are in lieu of any other expressed or implied terms, including but not limited to any implied warranties.***

