

GENERAL TERMS AND CONDITIONS OF SALE

- I. These General Terms and Conditions of Sale ("Terms") are entered between Kooltronic, Inc., its parents, subsidiaries, and affiliates (collectively, "Kooltronic") and the party listed on the order ("Customer"). Acceptance of these Terms shall be deemed to have occurred at the earlier of (i) written or electronic acceptance of these Terms, or (ii) Kooltronic's allocation of product for the submitted order.

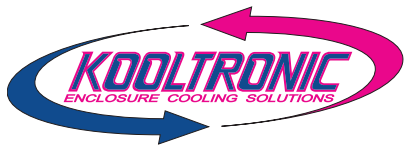
II. PLACING AN ORDER

All orders are subject to acceptance by Kooltronic, dependent on quantity, availability of parts and other factors. Confirmation of receipt of an order may be separate from a written acknowledgment of acceptance of the order. If Customer's order or other form states terms additional to or different from those set forth in (i) these Terms, (ii) a valid quotation from Kooltronic, or (iii) any other terms and conditions listed during the online ordering process (collectively, the "Kooltronic Terms"), this writing shall be deemed notification of objection to such additional or different terms, and the Kooltronic Terms shall prevail.

- a. Online Orders: Orders may be placed through Kooltronic.com ("Site") subject to these Terms and any other terms and conditions listed on the Site. If a conflict exists between these Terms and the terms listed during the online ordering process, the online terms shall prevail.
- b. Telephone Orders: Verbal telephone orders will be accepted and processed immediately. However, manufacturing and shipment may be deferred until a written confirming order is received, either by a standard purchase order or other acceptable form.
- c. Written Purchase orders: Written purchase orders shall include the following information:
 - Purchase order number
 - Shipping and billing address
 - Kooltronic model number, full description, electrical specifications, quantity and unit price
 - Delivery date desired, subject to acknowledgement by Kooltronic
 - Name of authorized representative making the purchase
 - Method of shipment desired
 - Sales / use tax status of order and exemption number (if exempt)

III. PAYMENT AND CREDIT

- a. All pricing is in US dollars. Prices exclude all duties, taxes, tariffs, or other charges which may be imposed upon the sale or use of the products. Customer shall be responsible for payment of all state or municipal taxes, customs, and imposts applicable to use or resale products purchased herein. Any claim for exemption from such charges must be plainly designated in writing at the time of order and accompanied by all required exemption certificates.
- b. Payment terms are Net 30 Days after date of shipment, subject to prior credit approval. New accounts must submit the Kooltronic Application for Credit and necessary credit references. Until credit is established, payment in full may be required with order.
- c. All Online Orders must be paid by credit card unless Customer has been approved for other payment terms and is logged into its Kooltronic account at the time of purchase.
- d. Major credit cards are accepted. If a Customer has open terms and a credit card is used after shipment, payment will be subject to a 3% surcharge.
- e. Sales outside the United States require payment by wire transfer, a Letter of Credit, or other payment arrangements acceptable to Kooltronic prior to shipment.
- f. All prices are FOB point of origin and includes standard practice for commercial packaging.
- g. Delays in submission of payment information may affect scheduled ship date.
- h. If payment is not made when due, Kooltronic may suspend all future delivery or other performance with respect to Customer without liability or penalty and, in addition to all other sums payable hereunder, Customer shall pay to Kooltronic (i) the reasonable costs and expenses incurred by Kooltronic in connection with all actions taken to enforce collection or to preserve and protect Kooltronic's rights hereunder, whether by legal proceedings or otherwise, including without limitation reasonable attorneys' fees, court costs and other expenses and (ii) interest on all amounts unpaid after the due date, charged at the monthly rate of 1.5%, which is an effective annual percentage rate of 18%, or the highest rate permitted by law, whichever is lower.



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IV. SOURCE INSPECTION CHARGE

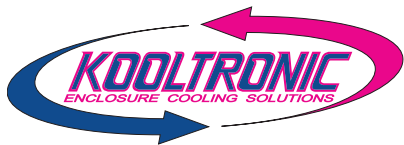
A surcharge may apply on orders requiring inspection at the factory.

V. SHIPMENT

- a. All shipments are FOB Pennington, NJ. Title and risk of loss pass to the buyer upon delivery to carrier. The acknowledged shipment date is based on product availability and anticipated production schedule on the date the order is accepted. It is subject to timely receipt of all information necessary to complete the order. Orders may experience delays for pickups and transit times out of the control of Kooltronic. Kooltronic assumes no liability for delays caused by circumstances beyond its control. Items shall be delivered in one shipment unless otherwise specified. 24-hour emergency shipment service may be available upon request for an additional charge.
- b. All delivery information (including time for shipment) is approximate. Kooltronic's sole responsibility is to use reasonable commercial efforts to meet specified shipment dates. Customer expressly absolves Kooltronic from any liability for any loss or damage resulting from a failure to deliver or delays in delivery caused by any conditions related to, or caused by, typographical errors, failure to process or inaccurate processing of time-sensitive information, a labor dispute, fire, flood, governmental act or regulation, riot, inability to obtain supplies or shipping space, plant breakdown, power failure, delay or interruption of carriers, accidents, acts of God or other causes beyond Kooltronic's control.
- c. At Kooltronic's option, products may be shipped in advance of the requested shipment date or in installments.
- d. All shipments must be inspected upon receipt by Customer. Any damage to the box must be noted on the delivery receipt or shipper's scanning device, if possible, in a timely manner in order to preserve a possible freight claim. Merchandise must be inspected for concealed damage within 5 business days of receipt.
- e. All shipments will be insured to the full value of the merchandise unless Customer informs Kooltronic otherwise in writing.
- f. Any freight requested on a pre-paid and add basis will be subject to a handling charge, which is subject to change at any time without notice. If freight charges are quoted for a pre-paid and add shipment, they are quoted for estimation purposes only and may be adjusted at the time of shipment.
- g. Kooltronic discourages shipment of air conditioners by air freight. However, Kooltronic will ship air conditioners by air freight upon request by Customer on the condition that Kooltronic shall not be responsible for damage or any repair or freight charges resulting from such damage due to shipping. An Air Waiver will be required in such situations.
- h. Customer shall be responsible for all customs examinations, duties, handling, and storage fees related thereto.
- i. It is the sole responsibility of the Customer to advise Kooltronic of any special shipping instructions, such as if a liftgate is required, delivery to a residential address, or other special types of delivery services. Kooltronic shall not be liable for any delays or costs incurred as a result of failure to inform Kooltronic of these requirements.

VI. CANCELLATION OR DEFERRED DELIVERY

- a. Kooltronic reserves the right to cancel an order at any time upon written notification to Customer and a refund of any monies paid.
- b. Orders may be cancelled by Customer only upon the written approval of Kooltronic. Cancellation by Customer may be subject to payment of reasonable charges to cover the cost of materials, labor and all direct and indirect expenses incurred by Kooltronic in connection with the order.
- c. Deferred or rescheduled delivery may cause a price adjustment and/or other reasonable and appropriate charges.



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VII. WARRANTY

Kooltronic products are warranted to be free of defects in workmanship, materials, and components, in accordance with the [Kooltronic Standard Warranty](#), incorporated herein by reference.

VIII. RETURNS AND REPAIR SERVICE

- a. Units in need of repair or return must be returned to Kooltronic, freight-prepaid by Customer, after receipt of a Kooltronic Return Authorization, which may be given or withheld in Kooltronic's sole discretion. Customer must contact the Kooltronic After Sale Kare Department (ask@kooltronic.com or 609-466-3400) to obtain a Return Authorization Number and follow the [Kooltronic RA Procedure](#), incorporated herein by reference.
- b. If warranty repair is applicable, the unit will be repaired and returned freight-prepaid, FOB destination.
- c. If warranty repair is not applicable, the Customer will be advised of the repair charges. Authorization to proceed will be required before any costs are incurred. Non-warranty repairs will be returned freight prepaid by Customer. Collect shipments or unauthorized returns may be refused by Kooltronic.
- d. All authorized returns are subject to a restocking fee.

IX. EVALUATION SAMPLES

Evaluation samples may be available for customers upon request. If a unit is designated as an Evaluation Sample, the unit must be returned within the specified time period on the Order Acknowledgment, freight prepaid, in as-new saleable condition in order to receive credit for the returned unit.

X. SPECIFICATIONS, TERMS AND PRICE CHANGES; LIABILITY

- a. Kooltronic reserves the right to discontinue any item, and to make changes in the specifications, design, hardware, packaging, terms and conditions, or prices at any time without notice.
- b. Kooltronic assumes no liability for the consequences of erroneous selection or misapplication of any of its products. Use of Kooltronic equipment in a corrosive environment that is not specifically intended for use in such environments shall void the warranty.
- c. Information furnished in Kooltronic's published and online catalogs is believed to be accurate and reliable at the time of publication. However, Kooltronic assumes no responsibility or liability for its use, nor for the effect of future design or specification changes, nor for any infringements of patents or other rights of third parties which may result from its use. No license is granted by implication or otherwise under any patent or patent rights of Kooltronic.
- d. Kooltronic shall not be responsible for typographical errors on any of its written materials.

XI. MISCELLANEOUS

- a. These Terms shall bind and inure to the benefit of the parties and their respective successors and assigns.
- b. Any portion of these Terms deemed invalid or unenforceable shall be struck and the remainder of these Terms shall continue to be effective and binding.
- c. These Terms are made under, and for all purposes shall be construed and enforced in accordance with and governed by, the laws of the State of New Jersey. All actions arising hereunder shall be instituted in either Mercer County, New Jersey or the United States District Court for the District of New Jersey. Customer hereby consents to the jurisdiction of the state courts sitting in Mercer County, and the federal courts located in New Jersey.