



TERMS AND CONDITIONS OF SALE

1. **Definitions:** The term "Seller" means Hubbell Electric Heater Co., and the term "Buyer" means the person, firm, or corporation to which the goods or services are sold.
2. **Formation of Contract:** No contract between Buyer and Seller shall exist unless and until Seller accepts and acknowledges at its corporate headquarters office located in Stratford, Connecticut, a purchase order submitted by Buyer.
3. **Buyer's Financial Responsibility:** Seller's acceptance for any purchase order submitted by Buyer and Seller's obligations upon such acceptance shall at all times be subject to approval of Buyer's financial responsibility by Seller's credit department. Seller may at any time require payment in advance or satisfactory security, guarantee or assurance that invoices will be promptly paid when due. If Buyer, after demand, fails promptly to pay in advance or to give satisfactory security, guarantee or assurance, Seller shall have the right to withhold delivery or performance of any undelivered portion of the goods or unperformed services, or to terminate the contract as to any undelivered goods or unperformed services, whereupon Buyer shall immediately become liable to Seller for (a) the purchase price of all goods delivered and services performed and (b) any loss suffered by Seller (including loss of reasonable profits) with respect to undelivered goods and unperformed services. If any such undelivered goods shall have been fabricated or produced specially for Buyer, Seller's loss shall be deemed to be at minimum the difference between the full purchase price thereof plus freight, storage and other costs incurred by Seller in connection therewith, less an allowance for the then-current scrap value of such goods as determined by Seller.
4. **Prices:** Seller reserves the right to correct any obvious errors in specifications or prices.
5. **Taxes and Tariffs:**

The prices provided herein are exclusive of any present or future Federal, State, Municipal, or other sales or use tax with respect to the material, equipment, or services covered hereby; of any other present or future excise tax upon or measured by the gross receipts from this Transaction or any allocated portion thereof; and of any present or future property tax or other similar charge with respect to the material or equipment covered hereby. In addition, all tariffs, duties, customs fees, or other governmental charges imposed on the import or export of the material, equipment, or services shall be the responsibility of the Buyer and shall be paid in addition to the prices herein provided for. If the Seller is required by applicable law or regulation to pay or collect any such tax or taxes on account of this transaction or the material, equipment, or services covered hereby, then such amount of tax shall be paid by the Buyer to the Seller in addition to the prices herein provided for.
6. **Shipping Instructions:** If goods are ready for immediate delivery, shipping instructions shall be received by Seller within forty-five (45) days after Seller's acceptance of Buyer's order. On all other orders, shipping instructions shall be received by Seller within ten (10) days after notification that the goods are available for delivery.
7. **Delivery:** Partial shipments may be made when ready and the invoice is submitted. Delivery of goods to a common carrier or licensed trucker shall constitute delivery to Buyer. In the event that shipping instructions are not received within the specified period, Seller may bill the Buyer and hold the goods sold, and mailing of such invoices shall constitute delivery to Buyer. Seller may place such goods in storage and Buyer shall pay all charges incident thereto. All risk of loss or damage after delivery shall be borne by Buyer.
8. **Routing:** In the absence of Buyer's instructions as to the desired carrier and routing, goods may be forwarded and routed as Seller, in its sole discretion, shall decide. Seller shall not be liable for selection of the carrier or method of routing.
9. **Delays:** Delivery promises are Seller's best estimate of the time when goods will be shipped. Seller shall not be liable for failure to deliver or delays in delivery occasioned by strikes, lockouts, fires, inability to obtain materials or shipping space, equipment breakdowns, delays of carriers or suppliers, governmental acts and regulations, and other causes beyond Seller's reasonable control. If performance by Seller is delayed by reason thereof, Seller shall inform Buyer promptly, and the time for delivery shall be extended for the period of such delay, or at Seller's option, the contract may be canceled without liability to either party.
10. **Cancellation:** Hubbell Water Heaters are made to order. After Seller's acceptance of Buyer's order, cancellation by Buyer shall be made only by agreement of Seller in writing and includes the following fees stated herein as a minimum and to be solely determined by the Seller upon written request of Buyer:
 - A 15% cancellation fee applies for any order canceled after acceptance but prior to commencement of any work, including engineering, drawing creation, or production.
 - A 35% cancellation fee applies for any order canceled after drawing creation but prior to material requisition.
 - A 50% cancellation fee applies for any order canceled after component requisition but before manufacturing has commenced.
 - A 75% cancellation fee applies for any order canceled after manufacturing has commenced.
11. **Origin:** All sales are shipped EX Works from the Seller's plant unless the seller expressly offers alternate shipping terms.
12. **Warranty:** Unless such goods are separately covered by an express Seller warranty, the seller warrants that its goods are in compliance with stated specifications within limits of standard manufacturing tolerances and variances of the producer and are reasonably free from defects in materials and workmanship. Seller will replace without charge, refund the purchase price or make a fair allowance for any noncompliance with stated specifications or any defects in material or workmanship in its products demonstrated to its satisfaction to have existed at the time of delivery, provided Buyer gives Seller written notice immediately upon discovery thereof and, in any event within ninety (90) days after delivery of the goods to Buyer, Seller may require the return of the products to establish any claim. Seller's liability is limited to making replacement, refund or allowance within a reasonable time after receipt of written notice. **THIS (OR SUCH OTHER EXPRESS WARRANTY, IF APPLICABLE) IS SELLER'S SOLE WARRANTY WITH RESPECT TO THE GOODS; SELLER MAKES NO OTHER WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE WHICH EXCEED THE ABOVE OBLIGATION ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED.** Seller will not be liable for any special, incidental or consequential damages, loss or expense arising in connection with the use of, or the inability to use, its goods for any purpose whatever. Seller's liability under no circumstances will exceed the contract price for goods claimed to be defective or unsuitable.
13. **Claims or Returns:** Subject to terms and conditions of an express product warranty, all claims for alleged defects in goods, other than defects in workmanship or material, shall be deemed waived unless made in writing and delivered to Seller within ten (10) days after receipt by Buyer. Buyer shall afford Seller prompt and reasonable opportunity to inspect and rework all goods as to which any claim is made. All returns must be made freight charges prepaid with prior permission of Seller and must be accompanied by Seller's packing list and freight bill.

14. **Modification and Waiver:** Buyer's order, Seller's acceptance and these Terms and Conditions ("T&C") shall contain the entire contract between the parties, and there shall be no oral understanding, representations or agreements. In case of any inconsistency between the terms of Buyer's orders and Seller's acceptance and these T&C, the terms of such acceptance and these terms and conditions shall prevail. No alteration, modification or waiver shall be effective unless in writing and signed by the party against whom such claimed alteration, modification or waiver is sought to be enforced. No waiver by either party of any default in any term or condition shall constitute a waiver of any other term or condition.
15. **Applicable Law:** The contract shall be governed by and shall be construed according to the laws of the State of Connecticut.
16. **Changes in quantities** may result in changes in unit prices shown.
17. **Drawing Approval and Change:** The Seller may designate an order as Hold for Approval or otherwise agree in writing to furnish drawings for Buyer approval before production begins. In such case the Seller will manufacture in accordance with the latest drawing approved in writing. For orders where drawings or submittals are provided for record or reference purposes only, Seller may manufacture in accordance with Seller's quotation, order acknowledgment, published specifications, and any written revisions accepted by Seller, without drawings being issued before fabrication or shipment. Verbal descriptions, discussions, and informal instructions are non-binding unless incorporated into a written revision, change order, or other written amendment accepted by Seller. In the event of any conflict or discrepancy, the latest signed and approved drawing on record shall supersede all prior documents.
18. **Certifications and Testing Documentation:** Only those certifications, documentation, testing, reports, and compliance materials expressly identified in Seller's quotation, order acknowledgment, approved submittals, or applicable published product literature for the specific product or configuration are included in the contract price. Additional or project specific requests for certifications, documentation, testing, inspections, or other compliance materials not expressly included in the original agreement shall be considered outside the scope of work and may not be available or may be subject to additional fees.
19. **Terms:** When Seller approved credit terms are extended to the Buyer, terms shall be Net 30 days from date of shipment, unless alternate credit terms are expressly offered by the Seller. Invoices not paid within 30 days of shipment or within Seller approved terms shall thereafter bear interest at the rate of 1 ½% per month (18% per annum) until paid. Buyer hereby agrees that upon its failure to pay its open account debt to seller in full within 30 days or within Seller approved terms from the date of shipment, it waives any right which it may have to require seller to proceed against any person or against any collateral and agrees to pay all expenses incurred in collecting such debt, including reasonable attorney's fees.
20. **Proper Use, Installation, and Care** of any equipment supplied by the Seller is the sole responsibility of the Buyer.

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