TERMS OF SALE

Standard Terms and Conditions:

The following standard terms and conditions apply to all orders entered with Heat Tracing Sales. We cannot accept and specifically do not acknowledge or agree to any terms on customer purchase orders that are in conflict with, or in addition to, the following terms and conditions. We obviously reserve the right to amend these terms and conditions from time to time at our sole discretion. For online orders, please also refer to our Terms of Use and Privacy Policy, which are incorporated herein by reference.

Order Entry:

Order entry with Heat Tracing Sales is fast and simple. You may order on-line through our website at www.heattracingsales.com, you can call us at 410-795-2223, email us at sales@heattracingsales.com or you can FAX your order to our FAX 301-831-5147. For existing customer accounts using a purchase order or for any customer using a credit card, we generally attempt to ship all in-stock merchandise ordered by 12 Noon EST on the same business day subject to market conditions and carrier availability. Should you find yourself entering an order that you absolutely must have shipped same day via air freight regardless of the time of day, please contact us at 301-831-7550 – WE WILL MAKE EVERY EFFORT TO MAKE IT HAPPEN!

New Customers:

We sincerely appreciate the opportunity to serve new customers. In order to provide our customers with the best service possible, we will establish NET 30 DAY terms for new accounts who wish to place an initial order in excess of \$1,000.00 For customers meeting that requirement, we can normally establish open account status within 48-72 hours after receipt of a purchase order with customer credit information and/or a completed credit application. For new customers who cannot wait for the account to be established or who wish to enter an order for less than \$1,000, we require a credit card to process your first order. New customers may complete a credit application and submit it with their initial order so that NET 30 DAY terms may be established for future orders.

Payment Terms:

NET 30 DAYS with approved credit per provisions and requirements stated above. VISA, MASTER CARD, and AMERICAN EXPRESS are accepted. C.O.D. may be available depending upon product availability, your location and customer's requested delivery time. For customers with open account status, no other payment terms are available other than NET 30 DAYS. Again, we specifically take exception to and do not acknowledge any other terms stated on a customer's purchase order or in any communication. In all cases, orders are accepted from customers and entered subject only to the terms and conditions herein.

Minimum Billing:

Heat Tracing Sales minimum order requirement is \$100 for standard, in-stock merchandise. However, Heat Tracing Sales is a distributor for many major manufacturers. For products that are non-stock,

custom, altered, cut-to-length, manufactured to order, etc. Heat Tracing Sales' minimum order will be consistent with the minimum order requirement placed upon us by the manufacturer of those nonstock products.

Freight Terms:

Heat Tracing Sales freight terms are strictly F.O.B. - ORIGIN (aka - Ship Point) with Shipping & Handling either Prepaid and Added to your invoice or Freight Collect to your open account with a carrier of your choice. As a protection to our customers, it is our policy that all orders with FOB- Origin terms, regardless of whether Pre-pay & Add or Collect to your carrier account, will be shipped and may be insured for an amount, solely at the discretion of Heat Tracing Sales, up to the full amount of the contract price of the order at the customer's expense using the carrier's insurance service unless Heat Tracing Sales has an instruction in writing from the customer at the time of order specifically indicating that they do not wish their shipments to be insured. To waive insurance, please complete our Waiver of Insurance document located at www.heattracingsales.com/insurancewaiver and submit with your order or send via e-mail to sales@heattracingsales.com. If your order was placed through our e-commerce system on our website with a discounted (fixed) freight amount, it will **NOT** be insured unless you specifically request that we insure your shipment. If you do not request insurance, per industry standard FOB-Origin terms, you are responsible for any shipment losses once the material has been transferred to the carrier. If your purchase value is high, you should confirm with your salesperson that you do/do not wish to have the shipment insured for your protection. Please take note that if insurance is refused, any loss after date of shipment will be the customer's sole responsibility. Our carrier of choice is UPS. However, we would also be happy to ship your order via FEDERAL EXPRESS or DHL. For other carriers or truck shipments, we request that you designate in writing your desired carrier. We will attempt to accommodate all requests regarding customer's desired carriers.

Customers located, or drop shipping, outside of the 48 continental United States are responsible for any duties, taxes and fees associated with the shipment. Please note that such charges may not be available for billing at the time of shipment. In those cases, Heat Tracing Sales will bill the customer for actual charges when we are notified of those exact costs. Heat Tracing Sales reserves the right to charge a handling fee for special packaging or unusually complicated and time consuming paperwork associated with overseas shipments. However, the customer will always be notified of the amount of the handling fee prior to any chargeable work being performed.

Damage-In-Transit:

Our experienced packers take every reasonable precaution to prevent damage-in-transit. Should you discover such damage, please make a claim to the carrier as soon as possible. We strongly urge you to photograph and document the exterior of the shipping container for your use in making a claim to the carrier. Please see Freight Terms above for your liabilities related to lost or damaged shipments.

Pricing:

Due to manufacturer price changes, any prices shown in any of our publications or on the internet are subject to change at any time. In all cases we will attempt to update our pricing as soon as possible to avoid any confusion or delays in processing customer orders. Pricing discrepancies could result from reasons including, but not limited to, manufacturer price increases, inaccurate part numbers on our communications or marketing materials, typographical errors, delays in pricing updates, etc. In the event of a pricing discrepancy at the time of order, Heat Tracing Sales will notify the customer and the customer may choose to amend their order with Heat Tracing Sales or cancel the order provided that the order has not been entered or processed by Heat Tracing Sales and the reason for the price increase was not a change in requirement or scope by the customer.

Sales Tax:

Heat Tracing Sales is required to charge sales tax on all orders shipped to delivery destinations in states with online (remote seller) sales tax laws or states in which Heat Tracing Sales has a physical nexus. Heat Tracing Sales customers with a valid tax exempt certificate for orders must indicate so at the time of every order and submit that certificate with their initial application for credit or when placing an initial credit card order.

Order Cancellations:

If an order cancellation becomes necessary, please call us immediately. If the order in question represents only stock product from our warehouse (not a manufacturer or our other supplier's warehouse) that has not been "picked" to ship at the time of cancellation, there will be no cancellation charge. We will make every effort to have items ordered from a manufacturer or other supplier canceled at minimal expense. However, cancellation charges beyond our control may be imposed by the manufacturer or supplier for which the customer will be solely responsible. Orders for custom designed, custom built products cannot be canceled or returned once the order is entered with Heat Tracing Sales.

Returned Goods:

Should it become necessary to return a product to Heat Tracing Sales, please request a Return Material Authorization (RMA) number from the customer service department. Our receiving department cannot accept returned goods unless they are properly identified. Originally stock products from our warehouse returned in new, un-opened, resalable condition will be subject to a minimum restocking charge of 25% of the original purchase price. Unfortunately, opened or used products may not be returned under any conditions. For all non-stock items, items ordered from our vendors or for custom manufactured products, returns will be subject to acceptance and restocking charges imposed by each individual manufacturer or vendor and the customer will be solely responsible for those charges.

Defective Merchandise Procedure:

Please inspect all merchandise upon receipt. If a customer believes a product to be defective, a claim must be made to the customer service department within 30 days of receipt of product. We will attempt to ascertain the source of the defect and take immediate steps to alleviate the inconvenience to the

customer. In most cases, the normal procedure is to return the product to Heat Tracing Sales who will return it to the appropriate manufacturer for evaluation, repair or replacement. In all cases, the manufacturer's warranty will govern the disposition of the product.

Should no defect be found, the customer may be responsible for any evaluation fees and freight associated with the return transaction. If the customer desires a replacement product immediately, the customer may place a new, distinctly separate order for the replacement part. Upon return of the defective part, Heat Tracing Sales, at our discretion or the discretion of the manufacturer will either repair or replace the defective unit or issue a merchandise credit equal to the amount of the initial invoice less any freight and handling charges. It is our desire to treat our customers fairly and we will make every attempt to handle a return transaction with the best interests of the customer in mind.

SPECIAL NOTICE REGARDING HEATER PRODUCTS:

By their very nature, most heater products are custom assembled for each customer. Even stock heaters are generally modified with lead wires or other design issues that make such products non-returnable once received by the customer. Therefore, all heaters purchased from Heat Tracing Sales are non-returnable unless they are deemed defective by the manufacturer following a proper return and evaluation as described above. In such a case, the manufacturer's standard policies or warranties shall govern the solution to the problem.

Please note that Heat Tracing Sales will ship stock heaters in the exact quantity specified on a customer's order. However, in the manufacturing of non-stock heaters, it is necessary to allow for losses in production. For this reason, we reserve the right to ship as stated below:

UNITS ORDERED	SHIPPING VARIATIONS
1-5	No Variation
6 – 10	+ / – 1 unit
11 – 25	+ / - 2 units
26 – 50	+ / – 4 units
51 – 80	+ / – 6 units
81 – 99	+ / – 8 units
100 +	+ / – 5% of order

This is an industry standard manufacturing variation chart with regards to heater manufacturing and all heater manufacturers can generally be expected to follow the guidelines above. Therefore, we urge our customers to be aware that large quantity orders may be over-shipped or under-shipped according to the chart above. Over and under shipments are billed at the original purchase price for the final quantity shipped regardless of original quantity ordered and the order will be considered fulfilled and closed.

Quantity Discrepancies:

All quantity discrepancies must be reported with 72 hours of receipt of product. Heat Tracing Sales will not be responsible for quantity discrepancies not reported within 72 hours of receipt of shipment.

Governing Law:

In all disputes or matters arising or related to any purchase or interaction between a customer and Heat Tracing Sales, the laws of the state of Maryland, without regard to principles of conflict of laws, will govern these Terms and Conditions. Customer further agrees jurisdiction and venue with respect to any dispute shall be proper in the state and federal courts of the State of Maryland.

Limitation of Liability and Disclaimer:

As a distributor, Heat Tracing Sales does not manufacture any products. All of our products are warranted by their respective manufacturers and we extend those warranties to our customers only to the extent that we are permitted to do so by the manufacturer. We, therefore, make no express warranties of any kind whatsoever. All products are sold "AS IS, WHERE IS" and subject solely to the manufacturer's warranties and conditions of sale. Heat Tracing Sales makes no representation of any kind, express or implied, with respect to any product, including, without limitation, any warranty of merchantability, non-infringement or fitness for any particular purpose, and we hereby disclaim any such warranties.

Heat Tracing Sales will specifically not be liable, under any legal definition, for incidental, consequential, punitive or similar damages resulting from the performance of, use of or in connection with any product supplied by Heat Tracing Sales, including non-conforming or defective products. In all cases, for all products, the manufacturer's product warranty as it extends, and if it extends, to our customer, shall be the only warranty available to our customers. In no event, even if we have been advised of or are aware of the potential for a claim from a third party(ies), will Heat Tracing Sales be liable for any loss of profits, loss of use, or any other loss, incidental or otherwise, related to the performance of, use of or in connection with any product supplied by Heat Tracing Sales, including non-conforming or defective products. No employee or either shipped with the product or readily available from most manufacturers. Equipment damage or serious injury could result from a failure to follow the proper installation guidelines or code requirements. Our products should never be used in a designated Hazardous Environment (unless labeled accordingly) or in any critical systems in which a product failure could lead to death, personal injury or extreme damage to personal or public property.

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