



HARRINGTON SIGNAL INC. SALES TERMS AND CONDITIONS

1. **GOVERNING TERMS AND CONDITIONS.** Sales of all fire alarm products ("Products") and the provision of any services by Harrington Signal, Inc. ("Harrington"), are made only to Harrington's authorized distributors (an "ESD"), on Harrington's standard terms and conditions of sale which are set forth herein (the "Sales Terms and Conditions"). These Sales Terms and Conditions may be modified or supplemented with respect to any Accepted Order (as defined below), only by written documents separately signed by Harrington's authorized personnel at its headquarters in Moline, Illinois. Any term or condition contained in any purchase order or other form used by ESD to order Products or services which is different from, in addition to, or in any way inconsistent with these Sales Terms and Conditions shall be of no force or effect whatsoever.

2. **PRODUCTS.** Harrington reserves the right, from time to time, to add to or discontinue any of the Products from those offered for sale by Harrington or to modify the specifications of any of the Products without notice to ESD.

3. **ACCEPTANCE OF ORDER.** Salespersons or other representatives of Harrington are only authorized to solicit orders for Products from each ESD and have no authority to accept orders on behalf of Harrington. All orders become effective only if and when approved and accepted in writing by Harrington by the issuance of its order acknowledgment form (an "Accepted Order"). Harrington reserves the right to refuse any order.

4. **CHANGE OR CANCELLATION OF ACCEPTED ORDER.** ESD may not change or cancel an Accepted Order without Harrington's prior written consent. Cancellations accepted by Harrington will be conditioned on the payment by ESD of Harrington's cancellation charges in accordance with Harrington's cancellation policy in effect at the time of cancellation.

5. **PRICE.** Unless otherwise specified in Harrington's acknowledgment or a written quotation of Harrington to ESD stating that quoted prices are firm for a specified period: (a) all prices, quotations, shipments, and deliveries by Harrington are F.O.B. Harrington's plant or other shipping point; (b) all prices are subject to change without notice and each order is accepted subject to Harrington's price in effect at the time of shipment; and (c) all transportation and other delivery costs or



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charges are for the account of ESD, including any increase or decrease in such charges prior to shipment. Any Accepted Order under \$75.00 is subject to a minimum charge of \$75.00

6. **TAXES.** The purchase price for Products and any charges for installation, service assistance, training, set up or other services do not include any taxes which may be applicable to, measured by, or imposed upon the purchase, sale, value, use, transportation or storage of the Products or the provision of any services. ESD agrees to pay such taxes or, alternatively, to reimburse Harrington upon demand for any such taxes which Harrington is liable for collection or payment. ESD may, in lieu of such payment, furnish to Harrington evidence of the issuance of tax exemption certificates acceptable to the appropriate taxing authorities.

7. **DELIVERY TITLE AND RISK.** Unless otherwise specified in Harrington's acknowledgment, Harrington reserves the right to produce and ship all or any part of the Products specified in any Accepted Order from any of its plants or facilities. Title to the Products shall pass to ESD and ESD shall assume all risk and liability for loss, damage, or destruction to such Products after delivery to the carrier. If ESD should receive delivery of any of the Products in a damaged condition or should a shortage occur, ESD shall immediately report the damage or shortage to the delivering carrier and to Harrington. Any loss, shortage or damage to the Products after shipment, occurring in transit or otherwise will be for the account of ESD. Unless otherwise mutually agreed upon in writing, shipping dates are approximate and are based upon prompt receipt by Harrington of all necessary information, and Harrington shall not incur any obligation or liability to ESD for failure to ship by the estimated shipping date or any other date. Harrington reserves the right to ship the Products in a single or in multiple shipments. If ESD requests postponement of delivery beyond the scheduled shipping date, Harrington may transfer the Products to storage for ESD's account and at ESD's risk and expense. Such transfer shall be deemed delivery to ESD for all purposes, including invoicing and payment.

8. **FORCE MAJEURE.** If Harrington's performance of its obligations under any Accepted Order is delayed or made impossible or commercially impracticable due to any cause beyond Harrington's reasonable control (including, without limitation, acts of God, labor disputes, compliance with government regulations, equipment failure, shortages in transportation, inability to obtain necessary labor or raw materials, defects or delays in the performance of Harrington's suppliers or subcontractors or requirements of testing or product



approval authorities), Harrington shall have such additional time within which to perform the Accepted Order as may be reasonably necessary under the circumstances. Furthermore, if Harrington is unable to produce sufficient Products to meet all demands from customers, Harrington shall have the right to allocate production among its customers and plants in any manner which Harrington may, in its sole discretion, determine to be equitable.

9. **PAYMENT.** ESD shall make payment of the purchase price for all Products and any charges for services in full to Harrington within 30 days after the date of Harrington's invoice to the ESD for such Products or services. Payment of Harrington's invoices shall be made in legal tender of the United States of America. Harrington reserves the right at any time to require ESD to provide satisfactory security or other reasonable assurances for the due payment of the purchase price for the Products or charges for any services. Failure to provide such security or assurances will entitle Harrington to defer any further shipments or the provision of future services until such security is provided or to cancel the Accepted Order or so much of it as remains unperformed.

10. **DEFAULT.** If ESD fails to pay any Harrington invoice when due, Harrington may suspend production, shipment, delivery or performance under any Accepted Order or other contract between ESD and Harrington and ESD agrees to pay to Harrington interest on any past due amount at the maximum rate permitted by law or 2 percent per month, whichever is less. Harrington shall have in addition, all other remedies permitted to Harrington under these Sales Terms and Conditions or by law or equity. If Harrington takes legal action to collect any amount due Harrington, the ESD shall pay all collection expenses and court costs, plus reasonable attorney fees incurred by Harrington in enforcing its rights hereunder.

11. **INSPECTION.** ESD agrees to inspect the Products at the time of receipt of such products by ESD, and to notify Harrington within thirty (30) days of receipt, if any Products are not in accordance with the specifications, instructions, drawings or other data supplied by Harrington. No claims for damages or expense allegedly the responsibility of Harrington will be accepted after this time.

12. **REPAIRS NOT UNDER WARRANTY.** Products manufactured by Harrington that have exceeded the warranty period under Harrington's Fire Alarm Products Limited Warranty or other Products sold or supplied by Harrington to ESD without warranty by Harrington may be returned to Harrington for repair (a "Non-Warranty Repair"), subject to Harrington's then current Repair Policies which



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are posted at this website or ESD may contact Harrington's Technical Services Department at 1-800-577-5758 for a hard copy of Harrington's current Repair Policies. ESD shall be responsible for the cost of all Non-Warranty Repair. Non-Warranty Repairs (including parts and services) are warranted against defects in materials and workmanship to ESD for 90 days from the date the repaired Product is returned to ESD (the "Repair Warranty Period"). If any Non-Warranty Repair does not conform to the foregoing warranty within the Repair Warranty Period, Harrington shall, at its expense, re-perform the portion of the repair services which prove to be nonconforming, or, at Harrington's option, if Harrington determines that re-performance of any of the nonconforming repairs is impossible or impractical, refund the charges received by Harrington from ESD for such nonconforming Non-Warranty Repair. Re-performed Non-Warranty Repairs are warranted in accordance with this paragraph for another Repair Warranty Period. Harrington's warranty and all liability for defective or negligently performed Non-Warranty Repairs shall be limited to the cost of re-performing such nonconforming Non-Warranty Repairs (or at Harrington's option, a refund to ESD of the charges for such nonconforming Non-Warranty Repairs). This warranty is conditioned upon the ESD promptly notifying Harrington in writing of the nonconforming Non-Warranty Repairs before the expiration of the applicable Repair Warranty Period.

13. **WARRANTY AND DISCLAIMER.** Harrington makes no warranty nor accepts any other liability with respect to any Products, services, or other products or parts sold or furnished to ESD by Harrington other than the express warranties set forth in Harrington's Fire Alarm Products Limited Warranty in effect as of the date of Harrington's acceptance of each Accepted Order and in paragraph 12 above in respect of Non-Warranty Repairs.

Except for the foregoing express warranties, there are no other warranties in respect of any products (including Products), parts or services (including Non-Warranty Repairs or advice, technical assistance or training) sold, supplied or provided by Harrington to ESD, either express or implied, including any warranty of noninfringement, merchantability or fitness for any particular purpose. Under no circumstances shall Harrington be liable for special, incidental, consequential, punitive or exemplary damages (whether based in warranty, contract, tort, negligence, strict liability or otherwise) arising out of or relating to any products (including Products), parts or services (including Non-Warranty Repairs) sold, provided or furnished by Harrington to ESD or any contract between Harrington and ESD. In no event shall Harrington's liability exceed the purchase price of



the product or service, giving rise to ESD's claim.

14. **RETURNS.** Authorization and instructions for the return of any Product must be obtained by ESD from Harrington before returning such Product for any reason. The Product must be returned with complete identification, freight prepaid, and in accordance with Harrington's most current Return Policies and Procedures posted at this website or the returned Product will not be accepted. For a hard copy of Harrington's most current Return Policies and Procedures or authorization to return any Product, call Harrington's Technical Services Department at 1-800-577-5758. All items returned for credit must be received by Harrington in new condition, are subject to inspection upon receipt by Harrington, and a restocking charge. In no event will Harrington be responsible for any Product returned without proper authorization or identification.

15. **INSTALLATION AND SERVICE; ADVICE, ASSISTANCE OR TRAINING.** ESD agrees to install and service the Products in compliance with Harrington's written installation, maintenance and repair instructions and all applicable federal, state or local laws, codes and regulations. Harrington assumes no obligation or liability for any advice, technical assistance or training provided by Harrington to ESD with respect to Products, or for any results occurring as a result of the application of such advice, technical assistance or training. and ESD shall have sole responsibility for selection and specification of the Products appropriate for the end use of such Fire Alarm Products and for their proper installation and servicing.

16. **WAIVER.** Waiver by Harrington of any breach of any of these Sales Terms and Conditions shall not be construed as a waiver of any other breach, and the failure of Harrington to exercise any right arising from any default of ESD hereunder shall not be deemed to be a waiver of such right, which may be exercised at any subsequent time.

17. **PATENTS.** Harrington shall indemnify and save ESD harmless from any judgment for damages and/or costs which may be rendered against ESD in any suit brought against ESD on account of the infringement of any U.S. patent by any Product which is manufactured by Harrington, provided that: (a) ESD promptly notifies Harrington of the commencement of any such claim or suit and authorizes Harrington to settle or defend such claim or suit as Harrington may see fit; and (b) ESD renders every reasonable assistance which Harrington may require in defending any such suit. If a court prohibits future use of any such Products, or if Harrington reasonably believes that such a prohibition may be likely



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because of an actual or potential infringement, then Harrington shall have the option to: (i) procure the rights to use such Products for ESD from the complaining party; or (ii) replace such Products with non-infringing goods; or (iii) refund the purchase price of such Products to ESD.

18. **ASSIGNMENT.** ESD shall not assign any Accepted Order or any interest therein without the written consent of Harrington. Any actual or attempted assignment without Harrington's prior written consent shall entitle Harrington to cancel such Accepted Order upon written notice to ESD.

19. **TERMINATION.** Harrington may terminate any Accepted Order or any part thereof for any reason at Harrington's convenience upon written notice to ESD. ESD hereby waives all claims for consequential damages resulting from or relating to such termination, including, without limitation, any loss of anticipated or lost profits, and to accept as its sole remedy for termination the reasonable additional costs of obtaining substitute goods of the same quantity and quality as the Products provided that in no event shall such costs exceed the price of the Products described in the Accepted Order or part thereof so terminated as stated on Harrington's acknowledgment. Any claim for adjustment not asserted within ninety (90) days from the date of such termination shall be deemed to have been waived by ESD.

20. **GOVERNING LAW.** These Sales Terms and Conditions and each Accepted Order shall be governed by federal laws and the laws of the State of Illinois, excluding Illinois law with respect to conflicts of law.