

Terms and Conditions

1. **EXCLUSIVE TERMS AND CONDITIONS**

Together with any other terms the parties agree to in writing, these Terms and Conditions of Sale, and any terms and conditions printed on the face of TURCK Inc.'s ("Seller") order acknowledgment, form the sole and exclusive terms (this "Agreement") whereby Buyer (defined below) agrees to purchase from Seller, and Seller agrees to sell to Buyer goods ("Goods") and other services in connection with the sale of those Goods ("Services"). Notwithstanding any provisions communicated in any way by Buyer to Seller prior to this Agreement, including but not limited to any terms contained in or accompanying any request for quote or purchase order issued by Buyer, Buyer agrees that this Agreement will control the relationship by accepting Goods and Services from Seller, even if Buyer sends to Seller other terms and conditions to which Seller may not respond. Unless separately accepted by Seller in writing, any such other terms and conditions sent or communicated by Buyer to Seller are rejected. As used in this Agreement, the term "Buyer" shall mean any buyer of Goods and/or Services from Seller.

2. **DELIVERY, TITLE, AND RISK OF LOSS**

- a. Delivery or shipping dates are approximate only and merely represent Seller's reasonable estimate of the time required to make delivery or shipment. Time is not of the essence with respect to the transactions covered by this Agreement, except with respect to Buyer's obligation to make all related payments. Seller reserves the right to make partial deliveries and ship Goods any time in advance of any specified delivery or shipping date.
- b. Delivery of Goods to Buyer Ex-Works Seller's facility (INCOTERMS 2010) shall constitute delivery to Buyer and title and the risk of loss shall transfer at that time to Buyer. Should delivery be delayed due to an act or omission on the part of Buyer, risk of loss shall transfer to Buyer upon notification by Seller that the order is complete and ready for shipment.

3. **FORCE MAJEURE**

Seller shall not be liable for any damages or penalty for any failure to perform in accordance with the terms and conditions hereof if such delay or failure to perform is due in whole or in part to factors beyond Seller's reasonable control, including but not limited to delay in transportation or delay in delivery by Seller's vendors.

4. **GENERAL TERMS AND CONDITIONS OF WARRANTIES**

- a. Seller offers five (5) warranties to cover all Goods sold. They are as follows:
 - i. **12-Month Warranty**. A 12-month warranty is available for the following Goods:
 1. Linear displacement transducers (EZ-Track) and RFID products.
 2. Draw wire assemblies/ slip rings.No registration is required for the 12-month warranty.
 - ii. **18-Month Warranty**. An 18-month warranty is available for the following Goods:
 1. Q-Track Inductive Sensors.
 2. Ultrasonic sensors, flow sensors, pressure sensors and temperature sensors.
 3. Cables and all non-sensing products sold by Seller not covered by the 12-month warranty, 24-month warranty, 5-year warranty or lifetime warranty, including multi-safe, multi-module, multi-cart and related amplifier products, relays and timers.

No registration is required for the 18-month warranty.

iii. 24-Month Warranty. A 24-month warranty is available for the following Goods:

1. Encoders.

No registration is required for the 24-month warranty.

iv. 5-Year Warranty. A 5-year warranty is available generally for the following Goods:

1. Inductive and capacitive proximity sensors.

No registration is required for the 5-year warranty.

v. Lifetime Warranty. A warranty for the lifetime of the Original Application (Original Application is defined as the first installation of the product in an application) is available at the original Buyer's option for the following Goods, subject to fulfillment of the additional conditions specified below:

1. Inductive, inductive magnet operated and capacitive proximity sensors.

The lifetime warranty becomes effective when the accompanying TURCK Lifetime Warranty Registration is completed and returned to Seller.

b. Seller warrants Goods covered by the respective warranty above to be free from defects in material and workmanship under normal and proper usage for the respective time periods listed above from the date of delivery to Buyer or from the date specified below in the case of Goods subject to the lifetime warranty. By accepting delivery of Goods ordered, Buyer agrees to indemnify and hold harmless Seller from and against all claims, loss, damage and liability including but not limited to claims, loss, damage and/or liability for personal injury, property damage or commercial loss of whatever kind, directly or indirectly arising from or relating to any act or omission of Buyer.

c. The warranties set forth in Sections 4(a) and 4(b) are subject to the following conditions:

i. The warranties are limited to electronic and mechanical performance only, as expressly detailed in Seller's written specifications applicable to the specific Goods in question and NOT to cosmetic performance.

ii. The warranties shall not apply to any cables attached to, or integrated with Goods. However, the 18-month warranty shall apply to cables sold separately by Seller.

iii. The warranties shall not apply to any Goods which are stored, or utilized, in harsh environmental or electrical conditions outside Seller's written specifications.

iv. If a Buyer desires to make a warranty claim such Buyer shall, if requested by Seller, ship the defective Goods to Seller's factory in Minneapolis, Minnesota, postage or freight prepaid.

v. These warranties are applicable only to Goods shipped from Seller subsequent to January 1, 1988.

d. The following additional conditions shall apply to the lifetime warranty in addition to the above:

i. The lifetime warranty shall be effective only when the lifetime warranty registration has been completed, signed by both the end user and an authorized representative of Seller or an authorized distributor of Seller ("Distributor"), and has been received by Seller no later than six (6) months after installation in the end user's facility, or two (2) years from the date the Goods were shipped from Seller, whichever is sooner.

ii. The lifetime warranty is available only to Seller's authorized representatives, Distributors and to the Original User. (The term "Original User" means that person, firm or corporation which first uses the Goods on a continuous basis in connection with the operation of a production line, piece of machinery, equipment, or similar device.)

In the event the ownership of Goods is transferred to a person, corporation or other entity other than the Original User, the lifetime warranty shall terminate.

- iii. The lifetime warranty is applicable only to the Original Application. In the event the machinery, equipment, or production line to which defective Goods are connected, or on which they are installed, is substituted, changed, moved or replaced, the lifetime warranty shall terminate.
 - iv. The lifetime warranty shall be valid only if Goods were purchased by the Original User from Seller, or from a Distributor, or were integral parts of a piece of machinery and equipment obtained by the Original User from an original equipment manufacturer, which itself, was purchased directly from Seller or from a Distributor.
- e. **THESE WARRANTIES ARE EXPRESSLY IN LIEU OF AND EXCLUDE ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR PARTICULAR PURPOSE, USE, OR APPLICATION, AND ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER, UNLESS SUCH OTHER WARRANTIES, OBLIGATIONS OR LIABILITIES ARE EXPRESSLY AGREED TO IN WRITING AND SIGNED AND APPROVED BY SELLER. UNLESS EXPRESSLY AGREED TO BY SELLER IN WRITING AND SIGNED AND APPROVED BY SELLER, SELLER PROVIDES NO WARRANTIES IN CONNECTION WITH ANY SERVICE SELLER PROVIDES TO BUYER, ANY SUCH SERVICES ARE PROVIDED "AS IS" AND SELLER HEREBY DISCLAIMS ANY AND ALL EXPRESSED OR IMPLIED WARRANTIES IN CONNECTION WITH ANY SUCH SERVICE, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.**
- f. **THE PARTIES AGREE THAT IN THE EVENT OF ANY BREACH OF THE 12-MONTH WARRANTY, 18-MONTH WARRANTY, 24-MONTH WARRANTY, 5-YEAR WARRANTY OR LIFETIME WARRANTY DURING THE APPLICABLE WARRANTY PERIOD, SELLER SHALL AT ITS OPTION REPAIR OR REPLACE THE DEFECTIVE GOODS (POSTAGE OR FREIGHT PREPAID) OR REFUND THE PRICE PAID BY BUYER FOR SUCH DEFECTIVE GOODS; PROVIDED, HOWEVER, IN THE CASE OF THE LIFETIME WARRANTY, IN THE EVENT THE GOODS ARE NO LONGER BEING MANUFACTURED BY SELLER, THE AMOUNT TO BE REFUNDED BY SELLER TO BUYER SHALL BE REDUCED AS SET FORTH IN THE TABLE BELOW:**

Number of Years Since Date of Purchase by Buyer	Percent of Original Purchase Price to be Paid by Seller
10	50%
15	25%
20	10%
More than 20	5%

THE FOREGOING SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF BUYER FOR BREACH OF THE 12-MONTH WARRANTY, 18-MONTH WARRANTY, 24-MONTH WARRANTY, 5-YEAR WARRANTY OR LIFETIME WARRANTY, AS APPLICABLE.

5. LIMITATION ON LIABILITY

- a. **SELLER SHALL HAVE NO RESPONSIBILITY OR LIABILITY WHATSOEVER FOR DAMAGE OR INJURY TO PERSONS OR PROPERTY OR FOR OTHER LOSS OR INJURY RESULTING FROM ANY CAUSE WHATSOEVER ARISING OUT OF OR RELATED TO GOODS AND/OR SERVICES, INCLUDING, BUT NOT LIMITED TO, ANY DEFECT IN GOODS AND/OR SERVICES, OR FROM USE OR INSTALLATION. SELLER'S MAXIMUM LIABILITY FOR ALL CLAIMS ARISING UNDER THIS AGREEMENT AND/OR RELATING TO THE GOODS AND/OR SERVICES, INCLUDING, BUT NOT LIMITED TO, CLAIMS**

OF BUYER OR ANY THIRD PARTY RESULTING FROM THE USE OF SELLER'S GOODS, SHALL NOT EXCEED THE AGGREGATE AMOUNT OF PAYMENTS ACTUALLY MADE TO SELLER BY BUYER FOR THE GOODS OR ANY PART THEREOF AN/OR SERVICES RELATED THERETO ON WHICH THE LIABILITY IS BASED. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES INCURRED BY BUYER OR SUCH THIRD PARTY FOR LOSS OF BUSINESS PROFITS OR REVENUE, BUSINESS INTERRUPTION OR LOSS OF BUSINESS INFORMATION), WITHOUT REGARD TO CAUSE OR THEORY OF LIABILITY, INCLUDING THE NEGLIGENCE OF SELLER, BREACH OF WARRANTY OR OTHERWISE.

- b. **SELLER WILL NOT ACCEPT ANY PENALTY OR LIQUIDATED DAMAGE CLAUSES OF ANY KIND, WRITTEN OR IMPLIED, OR ANY LIABILITY ARISING FROM SUCH CLAUSES.**
- c. No sales representative of Seller has authority to alter, vary, or waive the terms and conditions set forth herein.
- d. If Buyer is supplying or supplies Seller's Goods to a third party, Buyer shall require the third party to be bound by the limitations and exclusions in the General Terms and Conditions of Warranties and the Limitation on Liability set forth above. If Buyer does not obtain such agreement from the third party for Seller's benefit, Buyer shall indemnify and hold harmless Seller for all liability arising out of claims made by the third party in excess of the limitations and exclusions set forth above in the General Terms and Conditions of Warranties and the Limitation on Liability.

6. **SAFETY AND PROTECTION PRECAUTIONS**

Seller takes great care to design and build reliable and dependable Goods, however, some products can fail eventually. Buyer shall take precautions to design Buyer's equipment to prevent property damage and personal injury in the unlikely event of failure. As a matter of policy, Seller does NOT recommend the installation of electronic controls as the sole device for the protection of personnel in connection with power driven presses, brakes, shears and similar equipment. Therefore, Seller recommends that Buyer build in redundancy or dual control using approved safety devices for these applications and Seller disclaims any responsibility or liability for losses, damages, costs, expenses or personal injury to the extent the same arise from Buyer's failure to build in such redundancy or dual control.

7. **PAYMENT**

Buyer shall pay all invoiced amounts due to Seller within 30 days from the date of Seller's invoice unless separately agreed to in writing by the Seller. Buyer shall make all payments hereunder by wire transfer, electronic transfer or check and in U.S. dollars, unless separately agreed to in writing by the Seller. Buyer shall pay interest on all late payments at the lesser amount of one percent (1%) per month or the highest rate permissible under applicable law. Seller shall be entitled to suspend delivery of any Goods or performance of any Services if Buyer fails to pay any amounts when due hereunder.

8. **TAXES**

Seller's prices for Goods and Services do not include federal, state or local sales, use, goods and services, excise or other similar taxes. All such taxes shall be paid by Buyer unless Buyer provides Seller with evidence satisfactory to Seller of exemption from such taxes. When Seller is required by law or regulation to collect such taxes, Seller will add such taxes to the price of Goods and/or Services.

9. **GOVERNING LAW AND DISPUTE RESOLUTION**

The sale and purchase of Goods covered hereby and all terms and conditions hereof shall be governed by the law of the State of Minnesota, without application of the conflicts of law principles thereof. In the event of a dispute concerning this Agreement, the complaining party shall notify the other party in writing thereof. Representatives of both parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining party shall seek remedies exclusively through arbitration. The seat of arbitration shall be Minneapolis, Minnesota, and the rules of the arbitration will be the Commercial Arbitration Rules of the American

Arbitration Association, which are incorporated by reference into this Section 9. The U.N. Convention on Contracts for the International Sale of Goods shall not apply.