

# TERMS & CONDITIONS OF SALE

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Manufacturer SIC No. 3566  
Federal Identification No. 39-1626766  
Duns Reference No. 19-213-0763  
Federal Supply Code Manufacturer No. 05805

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Fax Number (414) 747-5801  
Web Site [www.wmberg.com](http://www.wmberg.com)

**General.** The following terms and conditions of sale shall be the only terms applicable to any contract for sale between Seller and Buyer. Any terms and conditions in any of Buyer's other documents that vary with, are inconsistent or add to these terms are not acceptable and not binding upon Seller without express written consent even though there may have been acknowledgment, work has commenced or the order has shipped. This contract may only be amended in a writing signed by both parties and is the total agreement of the parties and all proposals, negotiations, representations, recommendations, statements or agreement made or entered into prior to or concurrent to this contract are excluded. When used herein the terms "Warehoused product" or "products from the warehouse" means a product that is standard product currently inventoried in a Rexnord Warehouse.

**Acceptance and Price.** Quotations are valid for 120 days unless extended by Seller. Prices quoted will be firm for orders accepted at the factory within 120 days where material is released and scheduled by Seller for shipment within 120 days after the date of order entry; otherwise, we reserve the right to apply prices in effect at the time of shipment. Terms of payment, discounts, or minimum charges applicable to quotations are contained on [www.rexnord.com](http://www.rexnord.com). Additional charges may be made to cover any unforeseen or unusual cost elements that may not have been contemplated including without limitation, overtime work authorized by Purchaser, special packing, engineering, and documentation. All orders are subject to acceptance by Rexnord at the factory and credit approval.

Prices do not include sales, use, excise, VAT, GST, and all similar taxes. All orders are subject to acceptance by Seller by the Factory and to credit department approval. Total prices on invoices may differ slightly as price records for electronic calculation may either be on a list and discount or on a net basis.

**Shipment and Delivery.** All shipments are Ex Works (as that term is defined in INCO terms 2000), Seller shipping point. For export shipment, terms are Ex Works US Continental port. If the Buyer should have a claim against the transportation company, Seller will cooperate in attempting to resolve such claim. Delivery dates are approximate, not guaranteed; and are subject to prior sale. Goods are deemed delivered (Delivery Date) on the day the shipment is made available to the carrier. Expedited Service (any order request outside of normal lead times) Charges are as follows: Same Day Stocked Standard Warehouse product-no charge, Same Day or Next Day All other products (subject to confirmation) -15% of order value (\$200 minimum fee).

**Force Majeure.** Seller shall not be liable for delays in delivery due to circumstances beyond its reasonable control; including but not limited to acts of government, nature, or the public enemy, civil or labor unrest, fires, floods, explosions, energy shortages or unavailability or reduced availability of supply at its usual source.

**Cancellation and revision charges:** All product \$100 minimum cancellation charge, plus additional charges may also apply (up to 100%) based on stage of order completion when cancellation or revision is requested including engineering, drawing, or manufacturing development

time. Such charges apply so as to make Rexnord whole. Reschedules may not be made unless written notification is received at the manufacturing location greater than 90 days prior to the latest acknowledged shipping date, and then only upon terms which will indemnify Rexnord against loss.

**Patents.** Rexnord will defend and hold harmless against claims of infringement of claims of United States patents issued at the time of sale to Buyer; provided such claims are based exclusively on infringement by products designed and manufactured by Seller and not based on the use of the products in combination with Products manufactured by others. Seller must be notified in writing, tendered the defense and be allowed to obtain a license for Buyer or substitute a non-infringing equivalent product. In no event will Seller's total liability to Buyer exceed the purchase price of the Product.

**Product Safety and Safety Devices.** Products designed and manufactured by Seller are capable of being used in a safe manner; but Seller cannot warrant their safety under all circumstances. Products are provided with only those safety devices identified herein. IT IS BUYER'S RESPONSIBILITY TO FURNISH THE APPROPRIATE GUARDS AND TO INSTALL AND USE THE PRODUCTS IN A SAFE MANNER IN COMPLIANCE WITH APPLICABLE HEALTH AND SAFETY REGULATIONS AND LAWS AND GENERAL STANDARDS OF REASONABLE CARE; AND IF BUYER FAILS TO DO SO, BUYER SHALL INDEMNIFY SELLER FROM ANY LOSS, COST, EXPENSE, ACTION OR CAUSE OF ACTION FROM SUCH FAILURE.

**Packing and Shipping.** Seller will decide how to pack and ship unless specific written instructions are given by Buyer and accepted by Seller. If required, special export packaging that includes extra packaging with corrosion protection and heat-treated lumber can be included for an additional 3% of order value (\$300 minimum) fee. Such packaging will not be done by Seller unless requested by Buyer.

**Designs, Dimensions and Weights.** Because of normal Product changes, the designs, dimensions, materials, components and weights shown in printed and electronic catalogs are subject to variation. If complete accuracy is required for an application, Buyer should request additional information or certification from Seller.

**Manufacturing Devices and Technical Information.** Unless otherwise explicitly agreed to by Seller in a writing issued by Seller, all manufacturing devices, design data or other technical information relating to an order shall remain Seller's property. Purchaser's patterns/tooling in Company's possession are held at Purchaser's risk and damage to them is not covered by Company's insurance.

**Warranty.** Seller warrants that its products (i) conform to Seller's published specifications, and (ii) are free from defects in material or workmanship for one year from the date of shipment. Specific products may have a warranty period greater than one year. Please refer to [www.rexnord.com](http://www.rexnord.com) for Extended Warranties (document 100-003). If Buyer discovers a failure of any product to conform to these warranties within this period, it must promptly notify Seller in writing. Seller will attempt to repair such non-conforming product at no charge to the Buyer. If Seller is unable to repair the product

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to conform to these warranties after a reasonable number of attempts, or if Seller determines at any time that repair is impracticable, it will provide, at its discretion, one of the following: (i) replacement product, or (ii) a full refund of that portion of the purchase price allocable to the non-conforming product. These remedies are the exclusive remedies for breach of warranty.

**What is Not Covered by this Warranty.** No representative of Seller has any authority to waive, alter, vary or add to the terms hereof without prior approval in writing, signed by an officer of our company. It is expressly agreed that the entire warranty given to the Purchaser is embodied in this writing. Company does not warrant any defects in, damage to, or failure of products caused by: (i) dynamic vibrations imposed by the drive system in which such products are installed unless the nature of such vibrations has been defined and accepted in writing by Company as a condition of operation; (ii) failure to provide suitable installation environment; (iii) use for purposes other than those for which designed, or other abuse or misuse; (iv) unauthorized attachments, modifications or disassembly; or (v) mishandling during shipping. Buyer's care in selection, adequate testing at time of installation and proper installation, proper operation and maintenance of all Products are required for adequate performance.

**Disclaimer of Warranty.** THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL COMPANY BE LIABLE IN TORT OR CONTRACT OR UNDER ANY OTHER LEGAL OR EQUITABLE THEORY OF LAW FOR ANY INCIDENTAL SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.

**Allocation of Risks.** This warranty allocates the risks of product failure between Seller and Buyer. This allocation is recognized by both parties and is reflected in the price of the goods. Buyer acknowledges that it has read this agreement, understands it, and is bound by its terms.

**Limitations of Liability in General.** IT IS EXPRESSLY AGREED THAT SELLER'S LIABILITY FOR ANY DAMAGES ARISING OUT OF OR RELATED TO THIS TRANSACTION OR THE USE OF ITS PRODUCTS, WHETHER IN CONTRACT OR TORT, IS LIMITED TO THE REPAIR OR REPLACEMENT OF THE PRODUCT OR THE PARTS THEREOF BY SELLER OR, AT ITS OPTION, A REFUND OF A PORTION OF THE PURCHASE PRICE. UNDER NO CIRCUMSTANCES WILL SELLER, ITS OFFICERS, DIRECTORS, EMPLOYEES OR ASSIGNS BE LIABLE FOR ANY OTHER INJURY, LOSS, DAMAGE OR EXPENSE WHETHER DIRECT, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE; INCLUDING BUT NOT LIMITED TO LOSS OF USE, INCOME, PROFIT, PRODUCTION OR INCREASED COST OF OPERATION, SPOILAGE OR DAMAGE TO MATERIAL, OR CHANGE OUT COSTS.

**Domestic Terms of Payment.** Terms of payment, unless agreed upon, are thirty (30) days net from date of invoice. Rexnord reserves the right to charge interest at the rate of 1.5% per month or the highest rate allowed by law, whichever is lower, for all amounts more than thirty (30) days past due. Costs of collection (including reasonable attorney's fees) will be the responsibility of the debtor.

**Export Terms of Payment.** Terms of payment will be arranged subject to approval of Seller's Credit Department.

**Minimum Charge.** None for warehouse stocked items. \$200.00 minimum for factory orders.

**Compliance with Law.** Buyer agrees to comply with the export laws of the United States with regard to the exportation of the products and any technical data associated therewith.

**Time for Commencing Suit.** Any action for breach of any of the terms of this contract must be commenced within six (6) months of the alleged breach.

**Legal Construction.** The laws of the State of Wisconsin shall apply to this contract, with the exception of its conflict of laws provisions. The failure of Seller to insist upon strict performance of any of the terms and conditions stated herein shall not be considered a continuing waiver of any such term or condition or of any of Seller's rights. The headings in this contract are informational and do not modify the agreement. The parties specifically exclude the application of the U.N. Convention on the International Sale of Goods.

**Returned Material.** United States Industrial Distributor Return Policy. Excess and other standard product in the distributor inventory can be returned for credit from Rexnord. Returned product must be good sellable, standard product, currently inventoried in a Rexnord warehouse. Returnable product is identified on PTDA Rexnord Industrial Distributor Pricing Information Tapes as returnable. Product must be no older than 1 year from the time of manufacture. All returns are subject to Rexnord approval.

Stock returns may be made throughout the year. A stock order for any Rexnord material equal to or greater than the dollar value of return must be received prior to credit being issued. A 25% restocking, repackaging, and processing charge will be deducted from the credit current standard price or actual purchase price (whichever is lower). The value of a single Stock Returns must be greater than \$200. The distributor is responsible for all associated freight. All Returns shall not exceed 5% of net purchases in any previous 12 month period.

The request for return should be processed through WM Berg Customer Service after receipt of the stock order for any Rexnord material equal to or greater than the dollar value. A Return Material Authorization (RMA) number must be obtained and used for identification of the returned goods. Credits will be issued within 20 working days from Rexnord's receipt of returned material. Final credit is subject to inspection and acceptance of returned material.

Contact your WM Berg Regional Sales Manager for any specific return of an unusual nature or timing.

Any other Customer, Geography, or Situations Outside of Standard. Contact your WM Berg Regional Sales Manager. These Returns will be addressed on a case by case basis.



WM Berg Terms Effective 12/6/13,  
Supersedes Rexnord  
Terms dated 11/30/08  
and all previous documents