



ACORN ENGINEERING COMPANY

TERMS, CONDITIONS OF SALES & WARRANTY

Prices: Prices of the Company's Products are subject to change without notice. Quotations are conditioned upon acceptance within 30 days unless otherwise stated and are subject to correction for typographic or clerical errors. Sales order confirmation will be considered accepted by Buyer if objection is not submitted in writing to Acorn Customer Service within (1) one week of receipt. The sales order confirmation is the governing document. All prices exclude sales, use, occupation, license, excise and other taxes in respect to manufacture or delivery. Unless a proper exemption certificate is furnished to the Company, all such taxes shall be paid by the Buyer to Company at the time of payment.

Term and Conditions of Payment: Terms of payment are **Net 30 from date of invoice**. Past due accounts will be subject to a 2% per month service charge from the date of the invoice. If any proceedings be instructed by or against Buyer under any bankruptcy or insolvency law, or if Buyer shall fail to make timely payment on this or any other order, or if, in the Company's judgment, Buyers financial situation justifies such action, the Company may, at its election, require payment in advance or cancel the order as to any unshipped item and require payment of its reasonable cancellation charges. If Buyer delays completion of manufacture, the Company may elect to require payment according to percentage of completion. Equipment held for Buyer shall be at Buyer's risk and expense. In all cases, regardless of partial payment, title to the Products shall remain in the Company until payment for the Products (including any notes given therefore) has been made in full. Should legal action be necessary to enforce payment of an unpaid invoice, the Buyer will assume full responsibility for any court costs and reasonable attorney fees. All orders are subject to credit check and approval prior to shipment. **Minimum invoice amount \$100.00.**

Return Goods Authorization: No materials shall be returned without a Return Goods Authorization (RGA) from Acorn Customer Service. Returns must reference the RGA number and be shipped freight prepaid or the shipment will not be accepted. Credit issued for the return will apply only to future shipments and will be subject to a **35% handling charge**. Any cost associated with restoring product to saleable condition will be deducted from the credit and any outgoing freight charges paid by Acorn. **Non-stock and custom fabrications are non-returnable.** RGA credit will not be issued for less than \$100.00 unless material is proven defective.

Delivery: Shipments are F.O.B. Factory, Industry, California or other designated shipping point determined by Acorn. **FFA (full freight allowed) may be earned on all shipments over \$10,000.00 net; FFA applies to single shipments only. Any shipment or delivery dates quoted by the Company are estimated.** The Company shall be obligated to use reasonable efforts to meet such dates. **The Company will in no event be liable for any delays in delivery or failure to give notice of delay,** or for any other failure to perform hereunder due to causes beyond the reasonable control of the Company. Such causes shall include, but not be limited to acts of God, the elements, acts or omissions of manufacturers or suppliers of the Products or parts thereof, acts or omissions of Buyer or civil and military authorities, fires, labor disputes or any other inability to obtain the Products, parts thereof, or necessary power, labor, materials or supplies. The Company will be entitled to refuse to make, or to delay any shipments of the Products if Buyer shall fail to pay when due any

payment owed by it to the Company, whether under this or any other contract between the Company and Buyer. Shipments are normally sent prepay or charge. A \$6.00 surcharge, per package, is added to all small parcel shipments.

Claims and Shortages: F.O.B. factory shipments are the full responsibility of the Buyer. Losses or damages must be reported to the carrier immediately. Acorn will file freight claims on FFA orders if the Buyer complies with the following within (5) five days of receipt of shipment; inspect shipment immediately, have delivering carrier inspect shipment, file inspection report with carrier, and send a copy to Acorn. No claim for failure to receive shipment or shortage will be honored unless Acorn is notified immediately upon receipt of invoice or within five working days of receipt of shipment, whichever is sooner.

Specifications: Approved submittals must be provided to Acorn Engineering in writing before an order will be considered accepted. All products are subject to change without notice. Unless stated in the purchase order, material will be furnished per the design in effect at the time the order is filled. Field dimensions must be submitted in writing and are the full responsibility of the Buyer. Changes in specifications or cancellations must be submitted in writing to Acorn for review, the Buyer will be subject to charges incurred due to the extent of the change or cancellation. **Non-stock and custom fabrications are not subject to cancellation.**

Limited Warranty

Acorn warrants that all of its products are guaranteed against defective material or poor workmanship for a period of one year from date of shipment. Acorn's liability under this warranty shall be discharged by replacing without charge F.O.B. City of Industry, California, any goods, or part thereof, which appear to the company upon inspection to be of defective material or not of first class workmanship, provided that claim is made in writing to the company within reasonable period after receipt of the product. Where claims for defects are made, the defective part or parts shall be delivered to the company, prepaid, at City of Industry, California for inspection. **Acorn will not be liable for the cost of repairs, alterations or replacement, or for any expense connected therewith made by the owner or his agents, except upon written authority from the Acorn City of Industry office.** Acorn will not be liable for any damages caused by defective materials or poor workmanship, except for replacements, as above provided. Buyer agrees that Acorn has made no other warranties either expressed or implied in addition to those above stated, except that of title with respect to any of the products or equipment sold hereunder and that Acorn shall not be liable for general, special or consequential damages claimed to arise under the contract of sale. With regards to fixtures coated with Acorn Enviro-Glaze®, all warranties are void unless fixtures are maintained in accordance with notice attached to each fixture. All designs are subject to change without notice. Unless stated in the order, material will be furnished of the design in effect at the time the order is filled.

- Revised September 2008