

ACCEPTANCE

- A. All orders are accepted in accordance with the Terms and Conditions set forth below.
- B. For all purchase orders received by TEMPCO, whether they be via the telephone, telefax or in writing, the customer acknowledgment you receive will act as the official document of acceptance of your purchase order. All information typed or printed (description, prices, etc.) on the acknowledgment will be assumed to be correct. This information will override any previous correspondence in writing or telephone conversations. If a discrepancy is found you will have 5 days from the date typed or printed in the box "DATE ENTERED" to bring it to the attention of TEMPCO. Once we have been notified, and if a change is necessary, you will receive a corrected acknowledgment from TEMPCO.
- C. Following acceptance by TEMPCO, orders are not subject to cancellation or modification, except upon written approval by TEMPCO and shall be subject to cancellation charges as determined by TEMPCO.

*TEMPCO RESERVES THE RIGHT TO CORRECT
AND AMEND ANY TYPOGRAPHICAL ERRORS.*

APPLICABLE CURRENCY US DOLLARS ONLY.

ASSIGNMENT

Purchaser shall not assign or transfer this contract or any interest in it, or monies payable under it, without the written consent of TEMPCO, and any assignment made without such consent shall be null and void.

CANCELLATIONS & PENALTIES

Should the Purchaser decide, for whatever reason to cancel an acknowledged order that has not yet shipped, the following criteria will be applied for disposition of the order:

1. If the product in question is determined to be stock product, such determination to be made solely by TEMPCO, the Purchaser will be assessed a penalty equal to 10% of the dollar amount of the order plus all other related costs and processing fees. Such penalty shall be immediately due and payable upon order cancellation. Any and all prepayments made to TEMPCO will be applied toward such penalty and costs.
2. If the product in question is determined to be non-stock (i.e. custom or modified stock), such determination to be made solely by TEMPCO, Purchaser will reimburse TEMPCO for all costs incurred as of the date of cancellation with respect to such product, including but not limited to engineering, design and development costs, material costs, freight costs, manufacturing labor and overhead costs, inventory costs, processing fees plus all other costs related to the cancelled order. Such penalty shall be solely determined by TEMPCO and shall be immediately due and payable upon order cancellation. Any and all prepayments made to TEMPCO will be applied toward such reimbursements of costs. Purchaser must notify TEMPCO of intent to cancel in written form within five (5) days of verbal communication.

CORROSION POLICY

TEMPCO cannot warrant any electric immersion heater against failure by sheath corrosion if such failure is the result of operating conditions beyond the control of the heater manufacturer. The facts and recommendations appearing in the TEMPCO catalog or any other literature published by TEMPCO are based on our own research and the research of others, and is believed to be accurate. We cannot anticipate all conditions under which this information and our products, or the products of other manufacturers in combination with our products may be used. We accept NO responsibility for results obtained by the application of this information or the safety and suitability of our products, either alone or in combination with other products. It is the responsibility of the Purchaser to make the ultimate choice of sheath material based on his/her knowledge of the chemical composition of the corrosive solution, character of materials entering the solution, and controls, which he/she maintains, on the process.

CREDIT CONDITIONS

Credit shipments on an open account basis will be made to approved Purchasers who maintain a good credit rating. Purchasers whose credit has not been approved by TEMPCO will be required to complete a credit application for open account consideration. Shipment of products to unapproved Purchasers will be either Cash In Advance, C.O.D. or Credit Card.

CREDIT TERMS

In God we trust; all others must pay cash. Where credit has been approved by TEMPCO, Terms of Sale are strictly Net 30 days from date of invoice for all products sold with the exception of the products noted in the paragraph that immediately follows.

For all sales of power control panels of 30 amps or higher, terms are 1/3 payment with purchase order, 1/3 payment received prior to shipment, and 1/3 payment Net 30 days. Such terms for these products shall apply where credit has been approved by TEMPCO.

All prices are F.O.B. Factory, Wood Dale, Illinois, U.S.A., in U.S. Dollars only. TEMPCO reserves the right to select means of shipment, consistent with least cost and commensurate service. Prices do not include any city, county, state, or federal taxes imposed upon the sale. Finance charges at the rate of 1 and 1/2% per month shall be charged to all accounts that are unpaid after 30 days or other described due date. Buyer shall be responsible for all costs of collection including reasonable attorney fees.

TEMPCO also accepts VISA, Master Card, Discover and American Express Credit Cards.

DELIVERY, TITLE AND RISK OF LOSS

Delivery dates are approximate and are based upon prompt receipt of all necessary information from Purchaser. Unless otherwise specified by TEMPCO, delivery will be made and title will pass F.O.B. point of shipment to Purchaser.

DESIGN CHANGE

The policy of TEMPCO is one of continuous development and product improvement, and we reserve the right to modify specifications, designs and materials without prior notice and without incurring any obligations or liabilities.

ENGINEERING CHARGE

On complex heating or control systems an engineering charge may be applied to the first order only. If similar items are ordered later, the engineering charge is generally dropped from these items after the first charge has been paid. This charge is not subject to discount.

EXCUSABLE DELAYS

TEMPCO will notify Purchaser of any material delay and will specify the revised delivery date as soon as possible. TEMPCO shall not be liable for delays in delivery or for failure to manufacture, or failure to perform due to: acts of God, fire, flood, wind, war, sabotage, civil unrest, disobedience, accidents, government priorities, strikes, or any other causes beyond TEMPCO'S control, such determination to be made solely by TEMPCO.

GENERAL

The Terms and Conditions on this page shall, unless otherwise specifically agreed to by TEMPCO in writing, be the Terms and Conditions governing any purchase and sales contract entered into between the Purchaser and TEMPCO. Stenographic and clerical errors are subject to correction. No modification of, or addition to, or waiver of any of the Terms and Conditions hereof will be effective unless agreed to in writing by TEMPCO.

GOVERNING LAWS

These Terms and Conditions of Sale and all dealings between TEMPCO and the Purchaser and/or recipient of goods and/or the appointed representative(s) acting on behalf of the Purchaser and/or recipient shall be governed by, construed and enforced in accordance with the laws of the United States and the State of Illinois as it applies to a contract/purchase order made and performed in such state. The parties agree that the exclusive forum for any litigation relating to a contract/purchase order shall be the federal or state courts of the State of Illinois. The parties hereby expressly consent to the exclusive jurisdiction of the federal or state courts of the State of Illinois for any litigation relating to this transaction or any other contract/purchase order between the respective parties.

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INDEMNITY AND WAIVER OF SUBROGATION

Purchaser agrees to indemnify and hold TEMPSCO harmless with respect to any third party claims for personal injury (or death), property damage or other loss which claims are based upon defective or allegedly defective design, material or workmanship furnished by TEMPSCO. Purchaser represents that any liability insurance policies, which Purchaser may have, provide that subrogation rights against suppliers such as TEMPSCO are waived.

MINIMUM ORDER CHARGE

TEMPSCO has differing required minimum order values depending on the product type and whether the related product is considered stock or a non-stock/production item. Such minimum order values shall be communicated upon order placement.

ORDER CHANGES

Purchaser shall have the right, by giving written notice to TEMPSCO, to make changes in the quantity, drawings, designs, or specifications for the articles to be manufactured. Upon receipt of any such notice, TEMPSCO shall notify Purchaser as promptly as possible of changes in the price of, or the time required for performance of the order, and an equitable adjustment determined solely by TEMPSCO shall be made in the contract price or delivery schedule, or both, prior to incorporating said changes into the manufactured article.

PATENT INDEMNITY

To the extent that items delivered hereunder are manufactured pursuant to detailed designs furnished by the Purchaser, Purchaser agrees to indemnify TEMPSCO and hold TEMPSCO harmless from all legal expenses which may be incurred as well as all damages and costs which may be finally assessed against TEMPSCO in any action for infringement of any United States Letters Patent by such items delivered hereunder. TEMPSCO agrees promptly to inform the Purchaser of any claim for liability made against TEMPSCO with respect to such items and TEMPSCO agrees to cooperate with Purchaser in every way reasonably available to facilitate the defense against such claim.

PATENT RIGHTS

To the extent that TEMPSCO develops a new process while designing a new product on behalf of Purchaser, the rights to the new process and/or product including patent rights shall remain with TEMPSCO.

PRICE ADJUSTMENTS AND SURCHARGES

Prices on all TEMPSCO products are subject to adjustment at the time of shipment by means of an added surcharge or price adjustment based on the current cost of metals and/or other raw materials.

PRICING

Prices, discounts, delivery and designs are subject to change without notice. The price of any article scheduled for shipment on a date beyond a period of one year from the date of receipt of Purchaser's order, is subject to a price increase by TEMPSCO, unless otherwise agreed to in writing. Prices include ordinary packaging only, unless otherwise specified.

PURCHASER'S PROPERTY

Where Purchaser had delivered to TEMPSCO parts, equipment, material, jigs, fixtures, wiring or any other item for use by TEMPSCO in manufacturing, processing, assembling or modification of products for Purchaser, the Purchaser's property shall be considered personal property and title and the right to possession shall vest in TEMPSCO until all payments hereunder (including deferred payments, whether evidenced by notes or otherwise) are accomplished. Purchaser agrees to perform all acts necessary to perfect and maintain such right and title in TEMPSCO. TEMPSCO shall not be liable for loss or damage to Purchaser's property in its possession.

RESTOCKING CHARGES

Stock products as defined in the cancellations and penalties paragraph, which have not been used or modified, can be returned for a 20% restocking charge, with a minimum charge of \$50.00 net. Any and all returns must be received by TEMPSCO within 90 days of customer receipt of the related product to be considered valid. All freight charges related to returned products shall be in addition to the noted restocking charges and shall be Purchaser's responsibility. Non-stock products as defined in the Cancellations and Penalties paragraph are NOT subject to return under any circumstances.

PLEASE NOTE: All returns must be accompanied by an RMA (Returned Material Authorization), obtained from TEMPSCO.

RETURNS

No product shall be returned without the proper paperwork issued by TEMPSCO. All returned material must be accompanied by an "RMA" (Returned Material Authorization). All unauthorized returns will be refused and returned to the Purchaser at the Purchaser's expense. All returns must be shipped freight prepaid.

SALES THROUGH REPRESENTATIVES

Unless specifically otherwise authorized in writing by TEMPSCO, the representative shall have no authority to solicit or take orders for the sale of products covered by his Representative Agreement except at TEMPSCO'S established prices and discounts, and in accordance with TEMPSCO'S standard conditions of sale as set from time to time in TEMPSCO'S published catalogs, price books, quotations, or printed forms. All sales made through the Representative hereunder shall be for direct shipment to Purchaser from TEMPSCO'S factories or warehoused stock. The Representative shall have no authority to bind TEMPSCO to any contract whatsoever. All orders obtained by the Representative are subject to acceptance by TEMPSCO and no order or contract shall be binding upon TEMPSCO until so accepted in writing by TEMPSCO.

STOCK

Stock items as defined are shipped in exact quantities ordered. All other industrial heaters or related accessories are subject to the provisions of the paragraph titled "Variations in Shipping."

TOOLING, WOOD PATTERNS, AND PERMANENT MOLDS

Applicable customer charges for wood patterns, permanent molds and all other types of tooling represent only a portion of the total cost of the related tools, therefore TEMPSCO retains ownership over said tooling. TEMPSCO will maintain all tooling used to produce the Purchaser's heaters at no cost to Purchaser, except when the cost of repairing such tooling exceeds a reasonable amount solely determined by TEMPSCO.

The cost associated with storing infrequently used tooling may become prohibitive. Tempco therefore reserves the right to dispose of said tooling at a time deemed appropriate by TEMPSCO. If new tooling becomes necessary, it is the responsibility of Purchaser to pay a tooling charge. TEMPSCO will accept Purchaser's special tooling at our plant, sent freight prepaid. See paragraph titled "Purchaser's Property".

UNLIKE PRODUCTS

A. Cartridge Heaters, Mica Band, Mica Strip Heaters, and Thermocouples may be combined for maximum discount only if they are all purchased from stock.

B. For all other products, only items within the same product line may be combined for maximum discount.

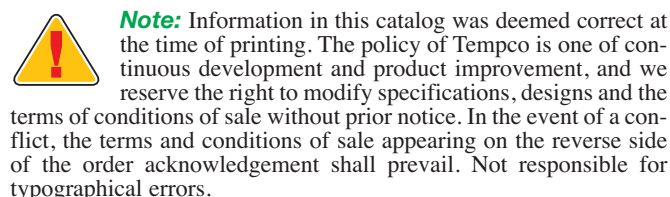
VARIATIONS IN SHIPPING

On orders for items carried in stock, TEMPSCO will ship the exact quantity specified. However, in the manufacturing of our non-stock products, it is necessary to allow for losses in production and 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 - 49	±4 Units
50 and Over	±5%



TEMPCO will not be liable for any loss, damage, or expense directly or indirectly arising from the use of the products either separately or in combination with any other equipment or material or from any other cause. The foregoing warranty does not extend to any product manufactured by TEMPCO which has been subjected to misuse by Purchaser, neglect, accident, or improper installation; nor does the said warranty extend to or apply to any unit which has been repaired or altered by persons not expressly approved in writing by TEMPCO. Nor does the warranty extend to or apply to any product the identifying symbol of which has been removed, defaced, or changed. Components manufactured by any supplier other than TEMPCO, which are sold hereunder, shall bear only that warranty made by the manufacturer of those components; but in no event shall such a warranty be more extensive in any manner than TEMPCO'S product warranty errors, defects, or omissions in the design of any product sold hereunder irrespective of whether such errors, defects, or omissions in design result from acts or omissions of TEMPCO or of Purchaser or of some other third party. For products damaged in transit, claims must be filed with the common carrier. (All such claims should be filed immediately).



Nikrothal® Kanthal
Resistohm® Rescal S.A.S.
Stablohm® California Fine Wire Co.
Teflon® DuPont Co.
Tophet® Carpenter Technology Corp.
Twist-Lock® Harvey Hubbel Inc.
VELCRO® Velcro Industries B.V.
Watlow® Watlow Electric Mfg. Co.

Accu-Ohm®	RTD
Arctic Cast®	Air Heat-Cool System
Beam-A-Temp™	Infrared Thermometer
Cool TO-THE Touch™	Finned Cast-In Heater with SS Shroud
Duraband®	Mica Band Heater
E-Mitter®	Ceramic Infrared Heater
Gamma® Series	Dual Sleeve Mini-Coil Heater
Gemini®	Medium Wave Infrared Heater
Hi-Density®	Cartridge Heater
Igloo™	Ceramic Terminal Cover
KTE™, KTG™	High Intensity Medium Wave Quartz Mini-Tube Infrared E-Mitters
Maxiband®	Tubular Element Band Heater
Maxistrip®	Tubular Element Strip Heater
Mi-Plus®	Mineral Insulated Band Heater
Mightyband™	Mineral Insulated Coil Heater with built-in-thermocouple
Mightybooster™	Water Circulation Heater
MX™	Runnerless Molding Controls
Pennybottom™	Cartridge Heater
Pronto® Service Logo	Expedited Shipment Program
TEC™	Temperature Controllers
TEMPCO®	Tempco Electric Heater Corporation
TEMPCO® Logo	Tempco Electric Heater Corporation
TEMPCO-PAK®	Mineral Insulated Cable
Terminator® Program Logo ...	Custom Cartridge Heaters from Stock
Universal 2000®	Tubular Radiant Heater
VS Glow®	Infrared Heater
Visionary Solutions™	