

Effective June 15, 2014 - New Freight Terms

Howard Lighting Products constantly strives to improve its processes so that our customers can maintain a competitive advantage. In reviewing our freight costs, we have identified certain products that incur excess costs due to their oversized and/or fragile nature. As a result, we are modifying our freight policy to incorporate an exception for the following product families (all model numbers within each product family are included in the exception):

- ELFL (Extra Large Floods)
- SL (Sports Lighters)
- HAX (High Bay HID)
- IHAX (Inline High Bay HID)
- LAX (Low Bay HID)
- ILAX (Inline Low HID)
- VSA8 (8' Vaporproof Fluorescent Strip)
- FSA8 (8' Fluorescent Strip)
- FSB8 (8' Fluorescent Strip)
- HFC7 (8' Highbay Fluorescent)
- HFE7 (8' Highbay Fluorescent)
- USC3 (Utility Small Cobrahead)
- URL (Utility Roadway LED)

Effective June 15, 2014, the pre-paid freight minimum will be \$1,000 for all orders that include one or more of the model numbers listed above.

For orders below \$1000 and including one of the models above, the freight amount charged to the customer will be \$100 regardless of quantity.

For orders not including any of the model numbers listed above, the standard freight policy will apply. If an order specifies multiple releases, each release will be treated as an individual order relative to the freight allowance. Howard Lighting may, at its discretion, make partial shipments.

The pre-paid freight minimum only applies to orders shipped within the continental United States. Shipments outside the continental United States are subject to additional freight charges. All shipments will be made via the carrier selected by Howard Lighting Products. Orders specifying a particular carrier are subject to additional freight charges. All freight charges for which the customer is responsible will be pre-paid by Howard Lighting Products and added to the customer's invoice.

Specifications subject to change without notice.

1. General

- a. All orders are subject to acceptance by Howard Industries, Inc. – Lighting Products Division (hereinafter “Howard Lighting”).
- b. Specifications are subject to change without notice. Contact Howard Lighting for verification.
- c. Howard Lighting assumes no responsibility for the improper selection, installation, use, and/or maintenance of its products.
- d. The terms and conditions set forth herein are in lieu of any and all other terms and conditions expressed or implied including the warranties of merchantability and fitness for a particular purpose. In no case shall Howard Lighting or Howard Industries, Inc. be obligated or liable for any indirect, consequential, or incidental damages for breach of these or any other terms and conditions expressed or implied whatsoever.

2. Terms

- a. Purchaser understands that payments due per terms on page one of this document.
- b. Purchaser understands an interest charge of 1.5% per month will be added on any past due balances.

3. Pricing

Unless noted otherwise in writing by Howard Lighting:

- a. All pricing and quotes are based on US dollars.
- b. Pricing is subject to change without notice.
- c. The applicable taxes will be added to invoices.
- d. Written quotes will be honored for thirty (30) calendar days given all fixtures are released for shipment within sixty (60) calendar days from the quote date.
- e. Shipments requested after a quote expires may be subject to a price increase.
 - i. Exceptions may be made when specific ship dates are noted on the original quote.
 - ii. Pricing is subject to change if any accessory, option, or other condition is changed from the original quote.

4. Minimum Billing

Howard Lighting's minimum billing amount is \$100 (US).

5. Freight Allowance

- a. Howard Lighting provides a freight allowance for orders totaling \$1000 (US) net given the full order is being shipped via normal freight to the same address in any of the contiguous 48 states in the US. Additional freight charges will be added as applicable to shipments to Alaska, Hawaii, and outside the US. For oversize products and those subject to damage that require special shipping, the minimum freight allowance is \$1000 (US) net. These model families include:
 - ELFL (Extral Large Floods)
 - SL (Sports Lighter)
 - HAX (Highbay HID)
 - IHAX (Inline Highbay HID)
 - LAX (Low Bay HID)
 - ILAX (Inline Lowbay HID)
 - VSA8 (8' Vaporproof Fluorescent Strip)
 - FSA8 (8' Fluorescent Strip)
 - FSB8 (8' Fluorescent Strip)
 - HFC7 (8' Highbay Fluorescent)
 - HFE7 (8' Highbay Fluorescent)
 - USC3 (Utility Small Cobrahead)
 - URL (Utility Roadway LED)
- b. Partial shipments and shipments made to more than one location that include any of the model numbers noted in Section 5a, regardless of quantity, will be subject to a \$100 freight charge. Partial shipments and shipments made to more than one location that do not include a model noted in Section 5a will be subject to standard freight policy. Partial shipments and shipments made to more than one location must each total \$1000 (US) net to earn a freight allowance. Howard Lighting may make partial shipments at its own discretion, billing each shipment as it is made, but with freight terms applicable to the complete order.

- c. Orders of less than \$1000 (US) net that include one of the models noted in Section 5a will be shipped as directed by the purchaser either freight collect or prepaid with a \$100 freight charge being added to the invoice. Any orders less than \$1000 (US) net and not including any models in Section 5a will have the standard freight policy applied.
- d. For air or premium freight requests on orders over \$1000 (US) net, Howard Lighting will add the air or premium freight charges less the normally-incurred freight charges to the invoice.
- e. Unless noted otherwise in writing by Howard Lighting, all published prices and quotes are F.O.B. shipping point..
- f. To qualify for this freight allowance, Howard Lighting reserves the right to select the shipment's point of origin, method of transportation, and routing. Pre-paid freight allowance only applies to orders shipped within the continental United States.

6. Freight Claims

Purchaser understands and agrees to report claims for damage, shortage, or errors in material as follows:

- a. Claims for damage and/or shortage caused by shipping must be made by the consignee to the carrier within ten (10) calendar days of delivery.
 - i. All items in question must be kept in their original cartons and at the original delivery point for inspection by carrier (upon request).
 - ii. If notified, Howard Lighting will assist purchaser as possible with claim.
- b. Claims involving shortages or errors in material believed to be caused by Howard Lighting will not be considered unless noted on the delivery receipt and reported to Howard Lighting within ten (10) calendar days of delivery.

7. Returned Goods Policy

- a. Howard Lighting will not accept any returned products without prior written authorization from Howard Lighting.
- b. Return request must be made to Howard Lighting within 90 days of original shipment.
- c. Purchaser agrees to prepay all transportation charges on all returned products.
- d. Credit will be issued at the prices in effect at the time of shipment or at the time of the return – whichever is lower – provided the products are in a saleable condition, are current models, and are listed in the published price sheet in effect at the time of the return.
- e. Purchaser understands that all non-stock, special, custom, or modified versions of normal factory-stock items are not returnable.
- f. If Howard Lighting accepts the returned merchandise and credits the purchaser's account, the purchaser agrees to pay a minimum restocking fee of 25% plus the original freight cost. These amounts will be deducted from the credit to cover the cost of handling and inspection.
- g. Howard Lighting will not issue account credits when the value of the items to be returned is less than \$50 (US).
- h. Returns from any one-job order will be limited to no more than 10% of the original job order's value.
- i. Orders for stocked products may be cancelled without any cancellation charges provided Howard Lighting receives a written cancellation request prior to shipment.
- j. Order cancellations for custom products are subject to cancellation charges based on the costs incurred and commitments made by Howard Lighting up to and including the date the written cancellation notification was received.
- k. Returned product must be in unopened original factory cartons, in re-saleable condition, non-obsolete product, and have been shipped or sold directly by Howard Lighting Products.

8. Hold For Release Orders

Orders received as “hold for release” or “will advise” are not processed for manufacture until a written release is received and the order has been priced.

9. Claims

Refunds, repairs, or replacement will be at the sole discretion of Howard Lighting. Reimbursement for any field labor and/or service charges must be pre approved in writing by Howard Lighting. Refer to our product warranty for more information.

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