

# Terms and Conditions

(1) AGREEMENT AND LIMITATIONS. The agreement between Seller and Buyer (the “sales contract”) with respect to the sale of goods (the “goods”) described herein shall consist of the terms appearing herein with any additions or revisions of such terms mutually agreed to in writing by Seller and Buyer. Seller objects to and shall not be bound by any additional or different terms, whether printed or otherwise, in Buyer’s purchase order or in any other communication from Buyer to Seller unless specifically agreed to by Seller in writing. Except as expressly stated in the sales contract, no reference to Buyer’s purchase order or other communication from Buyer shall be deemed to incorporate by reference any terms appearing therein. The sales contract shall be for the benefit of Seller and Buyer and not for the benefit of any other person. Prior courses of dealing, trade usage and verbal agreements not reduced to a writing signed by Seller, to the extent they modify, add to, detract from, supplant or explain the sales contract, shall not be binding on Seller.

(2) TERMINATION OR MODIFICATION. The sales contract may be modified or terminated only upon Seller’s written consent except that stenographic and clerical errors are subject to correction by Seller or upon Seller’s written consent. If Seller shall declare or consent to a termination of the sales contract, in whole or in part, Buyer, in the absence of contrary written agreement signed by Seller, shall pay termination charges based upon expenses and costs incurred in the production of the goods or in the performance of the services to the date such termination is accepted by Seller including, but not limited to, expenses of disposing of materials on hand or on order from suppliers and the losses resulting from such disposition, plus a reasonable profit. Notwithstanding the foregoing any goods substantially completed or services performed on or prior to such termination shall be accepted and paid for in full by Buyer.

(3) PRICE AND PAYMENT. Prices are subject to increase by Seller based on Seller’s prices in effect at the time of shipment in all instances where specified shipment date is later than 30 days from date of order. Unless otherwise specified in the sales contract or Seller’s applicable price list, prices are F.O.B. Seller’s point of shipment, and the terms of payment are NET 30 days from the date of invoice. If the sales contract is for more than one unit of goods, the goods may be shipped in a single lot or in several lots at the discretion of Seller. In such event each such shipment shall be paid separately and Buyer shall be responsible for all transportation charges. Seller may require full or partial payment or payment guarantee in advance of shipment whenever, in its opinion, the financial condition of Buyer so warrants. Payment by credit card may be subject to a service charge.

(4) PAST DUE INTEREST: Amounts not paid when due shall be subject to past due interest at the rate of 18% per year or the highest rate permitted by law, whichever is less.

(5) RISK OF LOSS. The risk of loss or the goods or any part thereof shall pass to the buyer upon delivery thereof by Seller to the carrier. Buyer shall have sole responsibility for processing and collection of any claim of loss against the carrier.

(6) TAXES. Prices do not include taxes. Buyer shall pay Seller, in addition to the price of the

goods, any applicable excise, sales, use or other tax (however designated) imposed upon the sale, production, delivery or use of the goods ordered to the extent required or not forbidden by law to be collected by Seller from Buyer, whether or not so collected at the time of the sale, unless valid exemption certificates acceptable to the taxing authorities are furnished to Seller before the date of invoice.

(7) DELIVERY. Promises of delivery from stock are subject to prior sale. Delivery dates are not guaranteed but are estimated on the basis of immediate receipt by Seller of all information to be furnished by Buyer and the absence of delays, direct or indirect, resulting from or contributed to by circumstances beyond Seller's reasonable control. Seller shall in good faith endeavor to meet estimated delivery dates but shall not be liable to Buyer for any damages as a result of any delay caused or contributed to by circumstances beyond Seller's reasonable control.

(8) DEDUCTIONS AND RETURNS. Please contact the factory before returning any merchandise. A Return Material Authorization (RMA) must be obtained before returning merchandise for credit. All returns are subject to inspection of merchandise and any defects in the units will be charged back to the Buyer at the cost of parts and labor. Credit deductions will not be honored unless covered by a credit memorandum. Goods shipped to the Buyer may be returned to Seller for credit only upon the Seller's prior written consent (such consent to be in the sole discretion of Seller) and upon terms specified by Seller, including prevailing restocking, freight, and handling charges. Buyer assumes all risk of loss for such returned goods until actual receipt thereof by Seller. Agents of Seller are not authorized to accept returned goods or to grant allowances or adjustments with respect to Buyer's account.

(9) INSPECTION. Buyer shall inspect the goods immediately upon the receipt thereof. All claims for any alleged defect in Seller's performance under this sales contract, capable of discovery upon reasonable inspection, must be fully set forth in writing and received by Seller within thirty days of Buyer's receipt of the goods. Failure to make any such claim within said thirty-day period shall constitute a waiver of such claim and an irrevocable acceptance of the goods by Buyer.

(10) LIMITED WARRANTY Federal Signal Corporation, Emergency Products, (Federal) warrants each new product, except speakers, to be free from defects in material and workmanship, under normal use and service, for a period of (3) years on parts replacement from the date of manufacture stamped on the product and (1) year on labor from the date of delivery to the first user-purchaser except for noted products. Speakers are warranted for a period of (2) years on parts replacement from the date of manufacture stamped on the product and (1) year on labor from the date of delivery to the first user-purchaser. The following products are warranted for (5) years on parts replacement from the date of manufacture stamped on the product and (1) year on labor from the date of delivery to the first user-purchaser: "Light Emitting Diode" (LED) products (Signaltech and SignalMaster Plus LED products not included), "Ricochet" strobe power supplies, "Unitrol" brand products, rotating light assemblies from all lightbars, all rotating beacons and mini-lightbars (Sentinel not included), all Phase II strobe beacon models, all 901 and 951 strobe beacon models, all 651 and 851 strobe beacon models, all US5, US6, and US7 UltraStar strobe beacon models, and all Arctic strobe beacon models.

Strobe flashtubes are warranted for (1) one year parts replacement from the date of delivery of the first user-purchase. During this warranty period, the obligation of Federal is limited to repairing or replacing, as Federal may elect, any part or parts of such product which after examination by Federal, is found to be defective as the result of a defect in material and/or workmanship. Federal will provide warranty for any unit which is delivered, transported prepaid, to the Federal factory or designated authorized warranty service center for examination and such examination reveals a defect in material and/or workmanship. This warranty does not cover travel expenses, the cost of specialized equipment for gaining access to the product, or labor charges for removal and re-installation of the product. Domes & lenses, lamps or batteries are not covered under warranty. This warranty does not extend to any unit which has subjected to abuse, misuse, improper installation or which has been inadequately maintained, nor damage resulting from incompatible chemicals or cleaning material, nor to units which have problems relating to service or modification at any facility other than the Federal factory or authorized service centers.

This warranty is in lieu of all other warranties, express or implied, including warranties of merchantability and fitness for a particular purpose.

(11) REMEDIES AND LIMITATIONS OF LIABILITY. In the event Seller is claimed to have breached any of its obligations under the sales contract, whether of warranty or otherwise, Seller may repair any defective goods, request the return of the goods and tender, at Seller's options, a replacement shipment of goods or the purchase prices theretofore paid to Seller. Seller shall tender a refund of the purchase price at its option upon actual receipt of the goods by Seller. If Seller so requests the return of the goods, the goods will be re-delivered to Seller, transportation prepaid, in accordance with Seller's instructions. The remedies contained in this and the preceding paragraph constitute the sole recourse against Seller for breach of any of Seller's obligations under the sales contract whether of warranty or otherwise. In no event shall Seller be liable for consequential damages nor shall Seller's liability on any claim for any direct, incidental, consequential or special damages arising out of or connected with the sales contract or the manufacture, sale, delivery or use of the goods exceed the purchase price of the goods.

Seller shall not be liable for failure to perform its obligations under the sales contract, resulting directly or indirectly from or contributed to by acts of God; acts of Buyer; civil or military authority; priorities; fires; war; riot; delays in transportation; lack of or inability to obtain raw materials, components, labor, fuel or supplies; or other circumstances beyond Seller's reasonable control, whether similar or dissimilar to the foregoing.

(12) PATENTS. Seller shall hold Buyer harmless, to the extent herein provided, against any rightful claim of any third person by way of infringement of any United States Letters patent by such goods as are of Seller's own manufacture, but if Buyer furnished specifications to Seller, Buyer shall hold Seller harmless against any such infringement claims which arise out of compliance with such specifications. Seller's agreement in this paragraph to hold Buyer harmless shall not apply to any infringement consisting of the use of goods manufactured by Seller as a part of any combination with goods manufactured by Buyer or others. In the event that any goods manufactured by Seller are in any suit held to constitute infringement and their use is enjoined, Seller, if unable within a reasonable time to secure for Buyer the right to continue

using such goods, either by suspension of the injunction, by securing for Buyer a license, or otherwise, shall at its own expense, either replace such goods with non-infringing goods or modify such goods so that they become non-infringing, or accept the return of the enjoined goods and refund the purchase price theretofore paid by Buyer less allowance for any period of actual use thereof.

Except as in this paragraph provided, Seller makes no warranty that the goods will be delivered free of the rightful claim of any third person by way of infringement or the like and Buyer's remedies will be limited to those provided in this paragraph.

(13) **ASSIGNMENT AND DELEGATION.** No right or interest in this sales contract shall be assigned by Buyer without Seller's prior written consent, and no delegation of any obligation owed, or of the performance of any obligation, by Buyer shall be made without Seller's prior written consent. Any attempted assignment or delegation shall be void and totally ineffective for all purposes unless made in conformity with this paragraph 9, 10 and 11 hereof, and if effective shall be subject to all limitations of this sales contract.

(14) **SEVERABILITY.** If any term, clause or provision contained in the sales contract is declared or held invalid by a court of competent jurisdiction, such declaration or holding shall not affect the validity of any other term, clause or provision herein contained.

(15) **INSTALLATION.** Installation shall be by Buyer unless otherwise specifically stated on the sales contract.

(16) **GOVERNING LAW AND LIMITATIONS.** The formation and performance of the sales contract shall be governed by the laws of the State of Illinois. Whenever a term defined by the Uniform Commercial Code as adopted in Illinois is used in these standard terms, the definition contained in said Uniform Commercial Code is to control. Any action for breach of the sales contract or any covenant or warranty contained herein must be commenced within one year after the cause of action accrued.