



# COMMODITY PRODUCTS ORDER CANCELLATION & RETURN TERMS

## Forward

These terms and conditions are standard, and may be negotiated at time of order.

## 1. Applicable Products

These commodity product cancellation terms serve as an enhancement to the Terms and Conditions of Sale for Bebco Environmental Control Corporation (hereafter referred to as Seller). Applicable Products covered by these terms shall include products that are manufactured in accordance with our standard specifications, including but not limited to Model EAC, RAC, RHP, SAC, SHP, TAC, THP or WAC Express Series Units that have no significant custom enhancements as determine at the sole discretion of Seller.

Accordingly, the following order cancellation and return terms shall apply for aforementioned products purchased under client purchase orders (hereinafter referred to as "orders") that are cancelled due to no fault or breach of sales contract by the Seller, unless other order cancellation terms are specifically accepted by Seller in writing at time of order:

## 2. Initial Order Cancellation Fee Waiver

To facilitate potential ordering errors, orders may be cancelled within a period of 3 working days after receipt of the order by electronic, hand delivered, mailed or couriered means without charge.

## 3. Order Cancellation Terms after Ten Days of the Date of Order

Cancelling an order after ten (10) calendar days of order date BUT prior to shipment shall incur a maximum cancellation fee of 15 percent (15%) of the total order amount.

## 4. Product Damage Claim Reporting Requirement

After a product has shipped and it has been received by the designated recipient on the sales order, the recipient has three (3) days to carefully inspect the product for any shipping damages. If the product is damaged, the client should contact Customer Support at [support@exphvac.com](mailto:support@exphvac.com) or (844) 397-4822 to report the damage.

**Otherwise, limitations imposed by Carriers to report a claim within their time limits will render Bebco harmless and unable to reimburse or rectify damages or expenses incurred by the recipient or client.**

## 5. Product Return After Shipment

If a product is received in good order, but does not meet your needs, please contact Customer Support at [support@exphvac.com](mailto:support@exphvac.com) or (844) 397-4822 to report the damage. Our goal is to help you solve the problem, and we will work in every way to minimize the cost of return or exchange with a more suitable product. In most instances, charges for restocking can be waived if there is an exchange of products and products are returned in good order, **PRIOR** to installation or use. Freight costs to return or exchange products shall be at the sole expense of the client, by whatever freight carrier and method of transport they prefer.

## 6. Progress Payment Hold-Over

Received progress payments in relation to any order shall be held-over during the negotiation of any order cancellation or return, and shall be applied to the applicable order cancellation charge. Should the total sum of all progress payments be less than the total amount due at cancellation, the remaining balances shall be billed directly as a balance due under the terms and conditions of sale regarding final payment of the original order.

## 7. Taxes

Except as may otherwise be provided, the cost of order cancellation shall not include sales, use, excise, import/export duties, tariffs, etc. and similar taxes which might otherwise be applicable to the products sold and thereafter cancelled.

### **8. Incurred Cost Disclosures**

Seller agrees that all information regarding incurred costs shall be provided in a timely manner upon the Buyer's written request. Information shall include internally generated purchase orders, vendor or supplier invoices, estimated salaried and non-production employee time expenditures and job labor and material reports, as generated by the Seller's in-house accounting system, within reason, at the sole discretion of Seller. The rights of the Buyer for reasonable disclosure shall not be construed to give Buyer any specific rights to conduct on-sight audits, with exception only to on-site examination of all drawings, documents, materials, equipment and products at time of order cancellation.

### **9. Disposition of Completed or Partially Completed Goods & Services**

Following attempts to minimize order cancellation costs as established under Section 4, or in lieu of such initial efforts by Seller at Buyer's sole discretion, Buyer shall have the right to claim possession of all completed drawings and documents and fabricated, consumed or specially purchased items, components or materials, whether integrated or not, with no implied warranty at its sole expense, in exchange for the payment of all applicable order cancellation fees plus any costs incurred by Seller to further integrate or finalize the product or services to any degree and package, crate and transfer the partially or fully completed goods and services into the Buyer's possession. Otherwise, said goods and services shall remain as the property of Seller.

### **10. Force Majeure**

Buyer shall have no right to cancel an order without incurring costs herein expressed, and Seller shall not be liable for non-performance or delays caused by acts of God, wars, riots, strikes, fires, shortages of labor or materials, labor disputes, governmental restrictions, or any causes beyond its reasonable control. In the event of any such excused delay or failure of performance, the date of delivery shall, at the request of Seller, be deferred for a period equal to time lost by reason of the delay. Seller shall notify Buyer in writing of any such event within a reasonable period, upon Seller's knowledge of same.

### **11. Waiver of Order Cancellation Rights due to Delay of Shipment**

Upon written acceptance of Progress Payment Terms, Buyer understands and is obligated to pay all required progress payments prior to shipment of any purchased products, and hereby agrees and understands that delayed shipment due to non-payment of progress invoices are incurred at the sole risk of the Buyer, and shall not be deemed as an acceptable reason or justification for cancellation or termination of any order, nor shall such delay of payment due to non-payment be construed as justification for taking exception to the terms of order cancellation as herein expressed.

### **12. Governing Law**

Unless otherwise agreed in writing prior to order acceptance, the venue for resolution of any conflict regarding the terms and conditions of order cancellation as herein expressed shall be the County of Galveston, in the State of Texas.

### **13. Conflict Resolution**

Unless otherwise agreed in writing prior to any attempted order cancellation, any controversy or claim arising out of or relating to an order cancellation under the terms and conditions as herein expressed shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules [including the Optional Rules for Emergency Measures of Protection]. The arbitration hearing shall take place in Galveston County, Texas before a single arbitrator. Judgment on the award rendered by the arbitrator shall be final, and may be entered in any court having jurisdiction thereof.