



Terms and Conditions

Terms and Conditions of sale for ABB
electrification product distributors

General terms of sale

Authorized Stocking Distributor = having a valid active account

THE FOLLOWING TERMS AND CONDITIONS CONSTITUTE AN AGREEMENT BETWEEN ABB ELECTRIFICATION CANADA INC. (HEREAFTER “ABB”) AND ITS AUTHORIZED STOCKING DISTRIBUTORS WITH A VALID ACTIVE ACCOUNT (HEREAFTER A “DISTRIBUTOR”) AND COVERS ALL SHIPMENTS TO ABB AUTHORIZED STOCKING DISTRIBUTORS, UNLESS SPECIFIC TERMS AND CONDITIONS HAVE BEEN AGREED WITHIN THE SCOPE OF A SPECIFIC CONTRACT.

Terms of payment

Payment terms are calculated from the invoice date. Cash discount of 2% is calculated on the invoice total before taxes. For invoices dated from the 26th of the month to the 10th of the following month: 2% cash discount if paid on or before the 25th of that month; net invoice amount is due on the 10th of the next following month. For invoices dated from the 11th to the 25th of the month: 2% cash discount if paid on or before the 10th of the following month; net invoice amount is due on the 25th of that month.

Sales tax

ABB reserves the right to add any tax imposed by law on the sale of articles to the sales price, as applicable.

Shipping terms

An initial shipment on stock items will be shipped in accordance with the account's next pre-determined GEO ZONE shipment schedule upon acceptance of the order by ABB. All orders are FCA ABB premises (Incoterms 2020). Full freight will be allowed on shipments of \$1,000.00 net value or more, to all Distributor's warehouse locations across Canada. "Superstrut products" (straight or back-to-back) must be ordered in full bundles.

Exceptions

Cable Tray: Minimum order of \$3,000.00 net value is required for PPD shipment. Drop shipments must be pre-approved by ABB' sales management and will only be allowed within Canada.

Drop shipments, Distributor requesting premium transport, shipments outside of regular shipping

schedule, air, and all orders less than the designated prepaid allowance net value are FCA ABB premises (Incoterms 2020), prepaid and/or charge at ABB' discretion. ABB will use its discretion in routing all shipments. Special or air shipments will be made at the Distributor's request, provided that the Distributor will assume all transportation and associated costs. ABB will not be responsible for any special handling arrangements made between the carrier and any consignee. These include, but are not limited to additional service charges such as: storage, delivery re-scheduling, equipment rental, etc.

It will be the Distributor's responsibility to secure proof of delivery and/or claims on these shipments. When the transportation charges are the responsibility of/or assumed by the Distributor, shipments will be made prepaid. All subsequent charges and the freight amount will be added to the invoice unless otherwise clearly specified and a Distributor or third party billing account number is supplied for the transport charges at the time of ordering.

All accepted orders, whether or not delivery dates are specified thereon, could be subject to delays or failures in manufacture or delivery due to causes beyond the control of ABB, and accordingly ABB shall have no liability in connection thereto.

Special handling charges

On special/rush orders for material which Distributor requests shipment from a ABB affiliated company or branch, other than their designated ABB servicing warehouse, the Distributor shall be required to assume freight/responsibility and any other special handling charges incurred with respect thereto.

Special orders

On orders for non-catalogued items or Distributor specials, ABB reserves the right to ship and charge ten percent (10%) above or below the quantity specified on the order. These are non-returnable.

Cancellations on special orders

Special orders cannot be cancelled. If cancellation occurs, ABB reserves its right to claim payment for work performed, costs incurred and loss of profits.

Minimum / multiple package quantities

Minimum / multiple quantities are not breakable under any circumstances. This includes special handling and samples.

Prices

A. All prices are subject to change without notice, and orders will be billed at prices in effect at time of shipment, including scheduled deliveries at a future date. Requests to add items to open orders in process and/or in production will be accepted on terms applicable to the addition. ABB reserves the right to limit purchase quantities based on historical purchases.

Exceptions

1. Unless specified otherwise, back-ordered materials on orders received prior to the effective date of a price increase will be billed at prices in effect at the time of order for a period of sixty (60) days following the effective date. ABB shall have no liability for back-ordered materials that are not shipped within the sixty (60) day period, and the aforementioned price increase shall apply in all such cases.

2. Unless specified otherwise, orders held firm by a ABB formal quotation reference number for non-cancelable, scheduled, or contract orders for direct shipment, will be billed at the prices, and subject to the terms, set out on the quotation.

B. The prices, discounts and terms on a Distributor's purchase orders cannot always be verified by ABB, and as such any variances will not always be reviewed and addressed. Therefore, in accepting orders, ABB does so with the understanding that material will be billed at the correct applicable ABB prices, discounts and terms despite any conflict in the Distributor's purchase order. Upon request, ABB shall provide a personalized price book and automated maintenance updates in an industry-recognized format for those Distributors who wish to synchronize their price and item files.

C. Orders will be billed at applicable column prices in accordance with the quantity purchased. Scheduled orders will be priced in accordance with quantities per release.

D. All pricing other than standard published prices must be covered in writing by a valid ABB formal quotation reference number and referenced for each item at time of order entry to qualify pricing.

E. Quotations, based on plans and specifications, reflect our understanding of the requirements and include only the material described and listed on the quotation. Quotations must be in writing and expire thirty (30) days after issue date, unless otherwise stated, and must be signed by persons authorized to make such quotations.

All quotations and agreements as to deliveries and other matters, including the acceptance of all orders and estimation of all delivery dates, are subject to all present and future Federal and Provincial laws, rulings, and regulations, and are also subject to strike, labor stoppages, fires, accidents, and all other causes beyond our control and ABB shall have no liability in connection thereto.

Minimum billing

\$250.00 NET Value per order.

Claims & errors

Claims for shortages, erroneous charges or price corrections must be invoked within thirty (30) days from the date of invoice, failing which the Distributor renounces its right to make any such claim.

For both Ship/Non-Ship & Debit claims, Distributors may only debit from the full payment of invoices the amount of the approved credit. For purposes of convenience and expediency, shipments are made on non-returnable pallets. The Distributor must thoroughly inspect each shipment and sign for the number of cartons received, not the number of pallets.

For Special Price Agreement (SPA) claims, Distributors must adhere to the following BPD 100 Policies & Procedures document: http://www.tnb.ca/en/fichier/abouttnbsousmenu/ABB_SPA_Policy_and_Procedures_EN_2020.pdf

Return goods policy

Any non-catalogued item sold as part of a ABB / ABB promotion will be non-returnable. ABB will grant permission for the return of any ABB standard catalogue items designated as "returnable" for full merchandise credit or exchange subject to the following conditions:

A. All returned material is subject to inspection by ABB. Material to be returned must be new, unused, and in unopened undamaged cartons. The material must conform to current catalogue descriptions, be in saleable condition and in carton quantities. Broken carton quantities, items custom-made, specially designed and produced to distributor's specification or "parts" are not returnable. Project product returns from overstock on jobs will be accepted at conditions and terms outlined on quotation.

B. Permission for return of goods must first be secured from ABB in writing. A Return Material Authorization (RMA) form must be completed and signed by distributor and by a ABB / ABB representative. A copy must accompany the material

being returned. (Material returned without our Return Material Authorization form will be refused, returned at customer's expense or scrapped without credit. Requests showing invoice number, date, quantities of items, and catalogue number(s) will be acted upon promptly.) Material must be returned to the indicated ABB Distribution Center within thirty (30) days of RMA issuance date, or RMA will be voided.

The distributor is responsible for the freight to return the material to ABB. If the material is being returned due in total by an error of ABB, send the material back collect via specified carrier. No other collect shipments will be accepted.

C. Returns due to errors on the part of ABB, the credit amount will be calculated at the original purchase price if the distributor supplies invoice numbers. Where distributors cannot supply invoice numbers, credit will be issued based on the lowest price paid in the last twelve (12) months.

D. Restocking returns will be credited at the lowest price paid in the last twelve (12) months. A minimum 35% repackaging charge is incurred when material returned requires inspection and repackaging. No service charge is incurred when material is returned in original, unopened cartons. No credit will be given for items returned which are not included on an approved RMA or which exceed approved quantities. Applicable cash discounts will be deducted from the credit memo.

E. Credit will be allowed for only the actual quantity we receive in saleable condition.

F. ABB reserves the right to limit the returns from any distributor to once per quarter and to 2% of the value of all of that distributor's purchases from ABB during the previous year.

G. ABB reserves the right to reject any request for the return of materials purchased more than twelve (12) months prior to the date of that request or for the return of any obsolete item.

H. ABB will not accept non-catalogued items, special items, nor items which, although catalogued, are made-to-order. Cable Tray products are non-returnable.

I. All products returned for repair under warranty will be repaired or replaced at no charge for parts and labor under the terms specified by the applicable warranty. Such returns shall adhere to the following procedures:

1. All returns for defective products must be made within fifteen (15) days after authorization of the claim. ABB must be advised of all claims in writing to be valid. Written authorization must be secured from ABB for the return of defective material.

2. Material cannot be returned to the factory unless a written return material authorization has been requested and received by the distributor.

All claims for products returned under a RMA or under warranty are subject to acceptance by ABB.

Price protection policy

Any price reductions published by ABB on material shown in current blue resale net price schedule will be retroactive to include shipments made by ABB (regardless of actual delivery date) since and including the first day of the preceding calendar month. Credit under the ABB Price Protection Policy can be issued only upon written request from our distributors within thirty (30) days from date of price reduction announcement. Credit under ABB Price Protection Policy cannot be issued on any drop- shipments.

Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws in effect in the Province of Ontario, and shall be subject to the jurisdiction of the relevant courts having jurisdiction in the city of Toronto, Ontario.

Integrity

A. Distributor shall provide the Goods and/or Services in compliance with all relevant laws, regulations, and codes of practice.

B. Distributor and its subcontractors must comply with the ABB Lists of Prohibited and Restricted Substances and with the reporting and other requirements regarding Conflict Minerals made available under www.abb.com – Supplying – Material Compliance or otherwise and shall provide Customer with documents, certificates and statements as requested. Any statement made by Distributor to Customer (whether directly or indirectly) with regard to materials used for or in connection with the Goods and/or Services will be deemed to be a representation under the Contract.

C. Distributor represents and warrants that it is and will remain fully compliant with all applicable trade and customs laws, regulations, instructions, and policies, including, but not limited to, satisfying all necessary clearance requirements, proofs of origin, export and import licenses, permits and exemptions from, and making all proper filings with appropriate governmental bodies and/or disclosures relating to the provision of services, the release or transfer of goods, hardware, software and technology.

D. No material or equipment included in or used for the Goods and/or Services must originate from any company or country listed in any relevant embargo issued by the authority in the country where the Goods and/or Services will be used or an authority otherwise having influence over the equipment and material forming part of the Goods and/or Services. If any of the Goods and/or Services are or will be subject to export restrictions, it is Distributor's responsibility to promptly inform Customer in writing of the particulars of such restrictions.

E. Both Parties warrant that each will not, directly or indirectly, and that each has no knowledge that other persons will, directly or indirectly, make any payment, gift or other commitment to its customers, to government officials or to agents, directors and employees of each Party, or any other party in a manner contrary to applicable laws (including but not limited to the Corruption of Foreign Public Officials Act (Canada), U. S. Foreign Corrupt Practices Act, the UK Bribery Act 2010 and, where applicable, legislation enacted by member states and signatories implementing the OECD Convention Combating Bribery of Foreign Officials), and shall comply with all relevant laws, regulations, ordinances and rules regarding bribery and corruption. Nothing in the Contract will render either Party or any of its Affiliates liable to reimburse the other for any such consideration given or promised.

F. Distributor herewith acknowledges and confirms that Distributor has received a copy of ABB's Code of Conduct and ABB's Distributor Code of Conduct or has been provided information on how to access both ABB Codes of Conduct online under abb.com/Integrity. Distributor agrees to perform its contractual obligations in accordance with both ABB Codes of Conduct.

G. Any violation of an obligation contained in this Clause is a material breach of the Contract and entitles the other Party to terminate the Contract with immediate effect and without prejudice to any further rights or remedies available thereunder or at law. Notwithstanding anything to the contrary in the Contract, Distributor shall, without any limitations, indemnify and hold harmless Customer for all liabilities, damages, cost or expenses incurred as a result of any such violation and termination of the Contract, or arising from export restrictions concealed by Distributor.

H. ABB has established the following reporting channels where the ABB Business Partner and its employees may report suspected violations of applicable laws, policies or standards of conduct:

Web portal: abb.com/integrity

Telephone: number specified on the above Web portal

Mail: address specified on the above Web portal.

Approvals ABB

ABB standard catalogue items which are listed by Underwriters' Laboratories and certified by the Canadian Standards Association are shown in our catalogues. Most ABB / ABB standard catalogue items comply with applicable Military and Federal specifications. Specific compliance information may be obtained upon inquiry.

Technical documents

All plans, drawings, technical specifications, documents, software, data, or proprietary information relating to the goods or tools sold hereunder shall be treated in confidence by the Distributor. They remain ABB's exclusive property and may be neither copied nor reproduced nor communicated to a third party in any way, nor used for manufacture. They may be used only for operation and maintenance of the goods or tools, under terms and conditions specified by ABB.

Force majeure

ABB shall not be liable for delays in the execution of its obligations due to causes beyond its reasonable control including but not limited to acts of God, fires, strikes, labour disturbances, floods, epidemics, quarantine restrictions, war, insurrection or riot, acts of government or public authority, freight embargoes, car shortages, wrecks and unusually severe weather. In the event of any such delay, the date of shipment will be extended to account for the entire delay resulting from such cause but in no event less than the actual duration of the delay.

Warranty

ABB / ABB manufactures its goods and tools in a manner to be free from defects in material and/or workmanship, and they are subject to the following warranty periods:

- A. Tools: Ninety (90) days from the date of delivery;
- B. Standard products: Two (2) years from the date of delivery;
- C. "Amerace" products: Two (2) years from the date of delivery;
- D. "Traction Business" : Two (2) years from the date of acceptance, or three (3) years from the date of delivery, whichever occurs first, and "Traction" spare parts shall be warranted for two (2) years from the date of delivery;
- E. LP Service: Twelve (12) months from the date of acceptance, or eighteen (18) months from the date of delivery, whichever occurs first; and
- F. "Lumacell", "Emergi-Lite", "Ready-Lite" and "Hazlux LED" products are all warranted for one (1) year from the date of delivery, except for the following products, which are subject to a longer warranty period, as set out therein:

http://www.tnb.ca/en/brands/emergi-lite/files/Emergi-Lite_Warranty.pdf

<http://www.tnb.ca/en/brands/lumacell/files/Lumacell%20Warranty%20English.pdf>

<http://www.tnb.ca/en/brands/ready-lite/files/Ready-lite%20Warranty%20English.pdf>

http://www.tnb.ca/en/brands/hazlux/modules/Files/hz_395_file05.pdf

Should any defect arise within these periods, ABB shall, upon prompt notification, correct the defective part by, at its option, either replacing or repairing it. The cost of removal of the defective part and the cost of its reinstallation, including transportation costs to and from ABB's plant or repair shop, shall be borne by Distributor. Distributor shall not return or dispose of any good or tools (or part thereof) in respect to which it intends to make a claim under the foregoing warranty without ABB's prior written authorization. Repaired or replaced parts are warranted for the remainder of the warranty period only. No on-site warranty service is provided.

Limitations and Exclusions:

THIS WARRANTY IS IN LIEU OF ALL OTHER REPRESENTATIONS, CONDITIONS AND WARRANTIES EXPRESSED OR IMPLIED, STATUTORY OR OTHERWISE (INCLUDING STATUTORY IMPLIED CONDITIONS AND WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE).

UNDER NO CIRCUMSTANCES SHALL ABB / ABB BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES, LOSS OF PROFITS OR PRODUCTION LOSS INCLUDING, WITHOUT LIMITATION, PERSONAL INJURY CAUSED BY IMPROPER USE OR APPLICATION OF ANY ABB / ABB PRODUCT.

IN NO EVENT SHALL ABB'S LIABILITY AND THAT OF ITS AGENTS, SUPPLIERS OR SUBCONTRACTORS TOWARDS THE DISTRIBUTOR FOR ANY LOSS, CLAIM OR DAMAGE ARISING OUT OF THE DESIGN, MANUFACTURE, SALE, STORAGE OR DELIVERY EXCEED ABB'S NET UNIT PRICE OF SUCH GOODS OR TOOLS (OR PART THEREOF).

BY PLACING AN ORDER, THE DISTRIBUTOR ACKNOWLEDGES HAVING READ THE ABOVE WARRANTY AND LIMITATION AND EXCLUSION CLAUSES AND UNDERSTANDS AND ACCEPTS THEIR TERMS.



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