

TERMS AND CONDITIONS OF SALE

PAYMENT: 2% 10 days from date of invoice, net 30 days to customers with approved credit.

PAST DUE ACCOUNTS: An interest penalty of 1.5% per month will be charged to delinquent accounts.

PRICES: Prices are subject to change without notice and are quoted in US dollars.

FREIGHT AND ALLOWANCE: Delivery on all orders of net value of less than \$1,500.00 shall be F.O.B. shipping point. On shipments of standard catalog items exceeding \$1,500.00 in value, the freight shall be F.O.B. delivered to all points in the continental USA. Unless specifically agreed upon in advance, Bay Corporation (herein "Bay") will select the carrier and route.

QUOTATIONS: All quotations are for immediate acceptance unless otherwise stated and are subject to correction for clerical error. Refer to www.baycorporation.com for Bay's Terms and Conditions of Quotation as noted on all quotations.

STOCK ITEMS: Bay reserves the right to update or change the design of Bay's standard product line without notice.

MINIMUM ORDER: A minimum charge will apply to cover the cost of processing small valued orders.

RETURNED GOODS: Bay will not accept returned goods without prior approval. The Buyer shall obtain an RGA (*Returned Goods Authorization*) number from Bay. To receive credit, all items being returned must be carefully packed to avoid transit damage. All returns are to be shipped prepaid. Items returned for reason other than the fault of Bay will be subject to restocking charges. Certain products, including made-to-order and obsolete items, can not be returned for credit.

SHORTAGE AND DAMAGE CLAIMS: Contact Bay immediately upon receipt of shipment to report any shortages and/or damages.

GOVERNING LAW: All transactions with Bay shall be deemed to have been made and entered into and shall be construed and enforced in accordance with the laws of the State of Ohio. Any action to interpret or enforce contracts with Bay shall take place in Cleveland, Ohio.

ARBITRATION: Any dispute arising out of or related to Bay's products or any contract with Bay, other than an action seeking injunctive relief, shall be resolved by binding arbitration by the American Arbitration Association, in Cleveland, Ohio pursuant to the rules of commercial arbitration. Buyer and Bay agree to each pay one-half the cost of the arbitration proceeding. Any decision rendered by the arbitrators shall be binding upon the parties and may be filed in any court of competent jurisdiction.