

DESCO

DISTRIBUTOR PRICE LIST **TERMS & CONDITIONS** EFFECTIVE August 15, 2010

THIS PRICE LIST IS FOR DESCO PRODUCTS ONLY AND SUPERCEDES ALL PREVIOUS PRICE LISTS.

The products contained herein and prices shown are available only to authorized DESCO distributors.

The placement of orders by Distributor to Desco will constitute agreement by Distributor to the following TERMS AND CONDITIONS. In the event of dispute over these Terms and Conditions, the parties agree that the prevailing party's attorney fees and other costs as reasonably determined will be paid by the losing party.

ORDER CORRECTION NOTICE: Upon receipt of orders with incorrect pricing, Desco will continue to process your order based on the most current published pricing and terms and conditions in the Price List. Desco will process orders with pricing per the current Price List. Desco will email a corrected order for the Distributor to update their system.

PRICE COLUMNS

LIST PRICE:

This is the recommended Industrial User price

RESELLER PRICE:

Approximately 20% off of List Price
Orders must be placed online through the Desco website
No minimum dollar amount per order
No Drop Ship Charges. Reseller must provide 3rd party account number.

STOCKING DISTRIBUTOR PRICE:

Additional discounts for stocking quantities; 25-35% off List Price
No minimum dollar amount per order
No Drop Ship Charges. Distributor must provide 3rd party account number.

Stocking Distributor Requirements:

Adequate stock of products
Promotion of Desco in ESD control section of catalog, web site & other marketing efforts.
5% discount for order placed on the Desco website.
\$500 minimum for orders not placed on the Desco website.

FOCUS DISTRIBUTOR OPTION:

Additional 5% discount off of Stocking Distributor Price

Orders must be placed online through the Desco website
No minimum dollar amount per order
No Drop Ship Charges. Reseller must provide 3rd party account number.

Focus Distributor Requirements:

20% sales growth commitment partner
Orders must be placed online through the Desco website
Carry no more than 1 direct Desco approved competitor brands
Carry adequate local stock of products
Carry adequate local stock of new products when introduced
Lead with Desco in ESD control section of catalog, web site & other marketing efforts
Promote CMG's Nostat brand of economy ESD control products
Purchase all non-brand or private label ESD control items from CMG
Expedited handling of Desco brand orders when needed at no charge
Laser co-branding on Desco brand mat kits at no charge
CONTACT DESCO FOR COMPLETE DETAILS

EXPEDITED ORDERS: Desco does not offer any expedited or rush services on orders. All purchase orders are processed in the order they are received. Orders processed on Desco's E-Commerce site go directly into Desco queue and may be processed before written orders sent at the same time.

CANCELLED ORDERS: Cancelled orders to Desco must be in writing. Orders invoiced prior to cancellation notice will be invoiced as a completed order and will be subject to the terms for returned merchandise.

NORMAL DELIVERY: Most orders ship from the factory within one week. **An emailed confirmation will be sent to you with shipment dates, once your order has been processed.** To obtain an accurate inventory levels we suggest checking www.Desco.com for current information.

PARTIAL SHIPMENTS: Partial shipments will be made unless the order specifies that the order is to ship complete.

RETURNS FOR CREDIT:

Desco does not allow individual returns of orders (including drop shipments) for credit. Desco may allow Stocking Distributors an annual stock rotation plan. Please contact us for details.

RETURNS FOR REPAIR OR RECALIBRATION: A RMA must be received and included with any unit returned for repair or calibration. End users can contact Desco at Service@Desco.com for a quote on the cost for calibration or repair of a product. Please include the product number, serial number and description of the problem. In some cases Desco may not be able to repair or calibrate an item. In such cases Desco will offer an upgrade to a current item of similar function.

BTO (Built-To-Order) items are available on a per-order basis only. Contact customer service for applicable minimum quantity and order amount. Actual quantity shipped and invoiced may be +/- 10%. Some inventory may be in stock. Contact customer service to check before ordering any BTO item. Build-to-Order Items are covered by Limited Warranty for defects in material and labor only, and are not returnable.

SPECIAL MANUFACTURED ITEMS are available on a per-order basis only. Contact customer service for applicable minimum quantity and order amount. First article approval is required. Actual quantity shipped and invoiced may be +/- 10%. Special manufactured items are not returnable for credit.

SHelf LIFE: ROTATE YOUR STOCK – Some items contain batteries or have physical properties that may change with time. Credit issued for these items will be determined only upon receipt of the items and inspection at our factory.

PAYMENT TERMS: Net 30. Distributor agrees to pay an additional service charge of 1% per month on all invoices unpaid after 30 days. Early payment discounts may also be offered to specific distributors who have demonstrated their willingness to pay such discounts within specific time limits. This will be offered only on specific invoices, is solely at Desco's discretion, and may be withdrawn without notice. Credit card payments will be charged on invoice date. Payments made by credit card will not qualify for early payment discounts. Credit card payments accepted after date of invoice are subject to a 5% service charge.

CREDIT HOLD: Any unpaid invoice will be considered past due 30 days from the date of the invoice. New distributor orders will not be accepted or entered into the queue if any invoices are past due. Promised deliveries for existing orders will be moved to the end of the queue if any invoices become past due.

SHORT SHIPMENT & PRICING CLAIMS: All claims pertaining to invoices (including short shipments, pricing discrepancies, freight charges, etc.) must be made in writing within 15 days of the invoice date. Claims must include copy of original PO, PO number, invoice number, and invoice date. All claims must be approved by Desco.

SHIPPING CHARGES: All shipments are FOB FACTORY. Distributor is therefore responsible for both shipping charges and damage to goods in transit. Note that freight charges are based on weight AND volume. Assembled items take up a greater shipping volume and are typically charged at a higher freight rate than items shipped flat. Distributor must specify a freight carrier (if other than UPS) at time the order is placed. Desco will prepay UPS shipments and the cost of freight will be added to each invoice unless otherwise specified. NOTE: Request to ship UPS 1st, 2nd, or 3rd day is a method of shipment and does not imply any expediting of order processing by Desco. For non-UPS shipments, the order will be shipped freight collect or third party billing at Distributor's option. Distributor is responsible for and agrees to pay charges disallowed or billed back to Desco by third parties when Distributor has specified third party billing. Some carriers may not be available to be used by Desco. Distributor will be notified if an alternate carrier is required.

DAMAGE CLAIMS: Desco will not issue credit, or take responsibility for merchandise lost or damaged by the carrier, unless insurance is requested at the time of order. Such insurance is the responsibility of Distributor and will be included with freight cost on the invoice. Distributor holds title to the goods once Desco has delivered them to the carrier, and is therefore responsible for settling all damage or loss claims with carriers. Desco will assist Distributor in any reasonable manner to establish damage claims with common carriers.

MULTIPLE SHIPPING POINTS: Desco Brand products are manufactured in various locations. Shipping points may vary and may change without prior notice.

CALIBRATION AND CERTIFICATION: Certificates of conformance to Desco drawings and specifications will be included at no charge if requested when an order is placed. Certificates requested after the order placement will be charged \$25.00. Contact customer service for the cost of other types of calibration, certification, and traceability.

PRODUCT CONTENT: Some "new" Desco products and/or the content of some Desco products may contain product that has been previously used and/or recycled. This content has been thoroughly tested to perform as good as, or better than, "new" product and is verified to perform as "new". All products sold as "new" carry New Product Warranties.

GUARANTEE: We make every effort to see to it that our products are of the highest quality and meet all appropriate recognized industry standards. Since we cannot guarantee that all products are applicable to all situations and that the data we provide from many sources is reliable and accurate for all situations, our lawyers want you to know that ...All statements, technical data, and recommendations contained herein are based upon tests we believe to be reliable. However, the accuracy or completeness thereof is not guaranteed. The proper and correct application of products and data is the responsibility of the user. The following is made in lieu of all warranties, expressed or implied:

Desco's only obligation shall be to replace such quantity of the product proved to be defective. Desco shall not be liable for any injury, loss, or damage, direct or consequential, arising out of the use of or the inability to use the product. Before using, users shall determine the suitability of the product for their intended use, and users assume all risk and liability whatsoever in connection therewith.

No statement or recommendation not contained herein shall have any force or effect unless embodied in a written agreement signed by authorized officers of Desco Industries, Inc.

LIMITED WARRANTY: Desco expressly warrants that for a period of one (1) year from the date of purchase, Desco products will be free of defects in material (parts) and workmanship (labor). Within the warranty period, a unit will be tested, repaired or replaced at Desco's option, free of charge. Call our Customer Service Department at 909-627-8178 (Chino, CA) or 781-821-8370 (Canton, MA) for a Return Material Authorization (RMA) and proper shipping instructions and address. Please include a copy of your original packing slip, invoice, or other proof of date of purchase. Any unit under warranty should be shipped prepaid to the Desco factory. Warranty replacements will take approximately two weeks. NOTE: A number of Desco products have a longer than one-year limited warranty.

If your unit is out of warranty, call our Customer Service Department at 909-627-8178 (Chino, CA) or 781-821-8370 (Canton, MA) for a Return Material Authorization (RMA) and proper shipping instructions and address. Desco will quote repair charges necessary to bring your unit up to factory standards. Ask about our Exchange for "New" Program.

WARRANTY EXCLUSIONS: THE FOREGOING EXPRESS WARRANTY IS MADE IN LIEU OF ALL OTHER PRODUCT WARRANTIES, EXPRESSED AND IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH ARE SPECIFICALLY DISCLAIMED. The express warranty will not apply to defects or damage due to accidents, neglect, misuse, alterations, operator error, or failure to properly maintain, clean or repair products.

LIMIT OF LIABILITY: In no event will Desco or any seller be responsible or liable for any injury, loss or damage, direct or consequential, arising out of the use of or the inability to use the product. Before using, users shall determine the suitability of the product for their intended use, and users assume all risk and liability whatsoever in connection therewith.

SAMPLES AND DEMONSTRATION EQUIPMENT

POLICY STATEMENT: Desco's commitment and strategy is to ensure that a committed distributor partner is fully involved with any customer who receives technical demonstrations or products as samples. The Distributor partner is best equipped to fully service the customer with inventory, local service and support. Desco's role will be to provide on site technical back up if required. Our policy is therefore based on the concept that potential customers should not be shown products unless those products are available from the Distributor partner's stock.

SAMPLES: Desco expects that the Distributor partner sample product from their inventory. Desco will replace Distributor stock used for samples at no charge when the distributor supplies the following information:

- a. Contact name, company name, addresses phone/fax numbers and e-mail address of the customer-evaluator.
- b. Part number and quantity of the sampled item that customer is forecasted to purchase upon successful evaluation of the sample.
- c. Estimated purchase date.

Samples can also be shipped directly from the factory, solely at Desco's discretion. The National Sales Manager must approve all direct requests. Direct shipments may be made directly to customers or to sales representatives or distributors for delivery to customers. The delivery method used will be the one, which, in the opinion of Desco, is most convenient to the customer. All such requests should include the same information as noted above.

DEMOS: End users that wish demo a Desco product may do so under the following guidelines. All demo orders must be pre-qualified by a Desco Regional Sales Manager.

- Demo units that have been taken from distributor's inventory and used for demonstration or loaners may also be returned to Desco for refurbishing and re-calibration or replacement at no charge.
- Distributor can place a purchase order with Desco for a demo unit with 90 terms.
- Demo units that are not returned with 90 days of shipment, will be invoiced for and are not returnable for credit.
- Desco may refuse any demo order.

COOPERATIVE ADVERTISING

Desco has a cooperative advertising/rebate program available to distributors for advertising, catalogs, and sales promotions. The program must be pre-approved in writing. Contact Desco's marketing department for more information.

EVERY EFFORT IS MADE TO ENSURE THAT THE INFORMATION AND PRICES IN THIS PRICE LIST ARE ACCURATE.

NO RESPONSIBILITY IS ASSUMED FOR TYPOS OR ERRORS.

DESCO RESERVES THE RIGHT TO CHANGE SPECIFICATIONS AND PRICES WITHOUT NOTICE.

DESCO EAST – ONE COLGATE WAY ROAD, CANTON, MA 02021 PHONE 781-821-8370
DESCO WEST – 3651 WALNUT AVENUE, CHINO, CA 91710 PHONE 909-627-8178

ORDER ENTRY EMAIL: Orders@Desco.com

Web site - www.Desco.com

For customer service e-mail: Service@Desco.com