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WWW.NAMC.DANFOSS.COM

For service please have Material and Serial numbers ready before calling: 888-326-3677.

Warranty includes:

- Replacement or repair of defective Danfoss products as defined in the terms of the standard Danfoss drives warranty (attached).
- Danfoss product material and freight costs
- Labor and travel costs during standard business hours as defined in the standard Danfoss drives warranty (attached).
- 24/7 Danfoss factory technical support

Excludes coverage for failures due to product vandalism, misapplication, shipping or installation damage, chronic destructive site conditions or site catastrophes such as floods, fires, hurricanes or tornados.

Please contact the Danfoss DrivePro Sales office for any additional information or assistance.

Please find the attached Terms and Conditions.



These General Terms and Conditions of Sale ("Terms") apply to all deliveries of products and services ("Products") from Danfoss LLC or its Affiliates (each of which is referred to as "Danfoss") to any customer ("Customer"). In these Terms "Affiliate" shall mean any entity that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control by Danfoss LLC at such time.

No terms and conditions other than these Terms shall be binding upon Danfoss and the Customer unless agreed in writing by both Danfoss and Customer. All terms and conditions contained in any prior communication which are different from or in addition to the Terms shall not be binding on Danfoss unless otherwise expressly agreed in writing by both Danfoss and Customer.

1. Confirmation of Order

Danfoss shall not be deemed to have accepted an order until a written, including electronic, acceptance of the Customer's purchase order by Danfoss is received by Customer or Danfoss has received a written, including electronic, timely and unconditional acceptance by Customer of Danfoss' quotation.

2. Terms of Delivery

The Products are delivered F.O.B. Seller, [freight and insurance prepaid and add]. If the Customer does not provide written instructions, Danfoss may deliver the Products to Customer, at the risk and expense of Customer, by a transport method chosen by Danfoss.

Unless otherwise agreed in writing, Danfoss may make delivery in installments. All installments will be separately invoiced and paid as billed without regard to subsequent deliveries. Failure to pay any installment when due will excuse Danfoss from making all future deliveries.

3. Shipment Delay

If Danfoss does not ship on the promised date, Customer is entitled to request a reasonable, revised shipment date in writing without undue delay. No claims can be made by the Customer as a result of the delay.

4. Price



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Prices for Products do not include taxes or duties.

Danfoss reserves the right to adjust accepted prices for non-delivered Products in the event of alterations in rates of exchange, variations in costs of materials, a sub-supplier's price increases, changes in wages, state requisitions or similar conditions over which Danfoss has no or limited control.



5. Packing

Disposable packing is not included in the price and will not be credited if returned.

Cost of special boxing, export boxing, cartage or transfer expenses will be added to the invoice unless charges are shown to be included in the prices quoted.

6. Terms of Payment

Invoices are payable in full 30 days following the invoice date unless other payments terms are agreed to in writing between Danfoss and the Customer, subject to approval and continuance of approval of credit by Danfoss. In the event that Danfoss does not approve credit to the Customer, or if at any time Danfoss reverses its prior approval of credit for any reason, terms of payment shall be C.O.D., or immediate partial, or full advance payment, or a combination of the foregoing methods, all as Danfoss may then, or thereafter from time to time, elect or specify. All payments shall be in U.S. dollars. Invoices not paid within 30 days of the invoice date are subject to an interest rate of the lesser of 1½% per month or the highest rate allowable under applicable law.

7. Group Set-off

Danfoss and its Affiliates shall be entitled to set off their own claims against the Customer, in event of Customer's possible claims against any of said companies.

8. Product Information

While Danfoss attempts to provide helpful and accurate information on the weight, dimensions, capacity, and performance capabilities of the Products in catalogues, literature, brochures and advertisements, and on its website, the Customer should not rely on any such information, and no such information is binding on Danfoss, unless explicit reference to the specific information in question is made in a written offer from Danfoss and/or a written order acceptance by Danfoss. Specific demands from the Customer are only binding if and to the extent they have been accepted by Danfoss in writing.

9. Proprietary Information and Confidentiality

Any non-public information, including but not limited to, drawings, descriptions and any other technical documents which Danfoss makes available to the Customer ("Confidential Information") shall remain the property of Danfoss and shall be treated as confidential by Customer and its representatives and must not, without the written



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consent of Danfoss, be copied, reproduced, or transferred to third parties or be used for other purposes than those intended when the Confidential Information was made available. Confidential Information shall be returned upon Danfoss' request.



10. Alterations

Danfoss reserves the right to make, without notice to Customer, alterations to a Product that do not materially affect agreed specifications or the Product's form, fit or function.

11. Limited Warranty

11a Danfoss warrants that VLT Variable Frequency Drives, AC VFD Panels and Harmonic Filters, except VLT Micro Drive, Decentral Drives, Soft Starters and their options to be free from defects in material and workmanship for 18 months from date of shipment. DrivePro Plus units are warranted for 36 months from date of shipment.

11b Danfoss warrants that VLT Micro Drive, Decentral Drives and Soft Starters and their options will be free from defects in materials and workmanship for a period of 12 months from date of shipment.

11c Accessories for all drives ordered for shipment subsequent to the drive and all items mounted separate from the drive will be free from defects in materials or workmanship for a period of 12-month, from date of shipment.

11d All drives parts will be free from defects in materials or workmanship for a period of 6–months from date of shipment.

This warranty shall be voided if the article in question is improperly installed, applied, operated or maintained; subjected to overload, misuse, negligence or an accident; or repaired or altered outside of the Danfoss factory or by anyone other than an authorized Danfoss service partner under direction of Danfoss. Products manufactured by others, but supplied by Danfoss as part of a Danfoss Product, are not warranted by Danfoss, and Customer's sole recourse if any such product should fail shall be under the warranty, if any, of such other manufacturer. Fuses are warranted only when a defect or malfunction of the Product or its components are found to be the cause of the fuse failure.

Customer's sole and exclusive remedy against Danfoss and Danfoss' only obligation, for breach of warranty, shall be, at Danfoss' option, the repair or replacement (with either a refurbished or new Product) of any Product that on Danfoss' examination is found to be defective at the time of delivery due to faulty workmanship and/or defective material, but only if the Customer submits a claim in writing to Danfoss within the warranty period.

When making a warranty claim, the Customer must forward the Product to Danfoss in a manner to be agreed upon between Customer and Danfoss with a description of the



reason for returning the Product. Freight and insurance will be paid by the Customer. If Danfoss' determines that the Product is not defective due to faulty workmanship and/or defective material or that the warranty has been voided, the Product shall be returned to the Customer, if the Customer requests. In such case, freight and insurance shall be paid by the Customer. If Danfoss ascertains that the Product is defective due to faculty workmanship and/or defective material, Danfoss shall send the repaired Product or a replacement Product to the Customer. Danfoss may choose the method of delivery and will pay freight and insurance. Products or product parts which have been replaced shall be the property of and retained by Danfoss.

The Customer is responsible for repackaging Products returned in suitable packing material to prevent damage in transit. Danfoss may elect to provide service personnel at Customer's premises to affect Product repair or replacement covered by the terms of the warranty. Danfoss may pay for a portion or all of the travel time and expense for Products located in the 48 adjacent states; island of Oahu, Hawaii; Anchorage, Alaska; and major metropolitan areas of Canada. For products located in the rest of Hawaii, Alaska, Canada and other countries, travel time and travel expenses will be billed to the Customer.

12. Disclaimer of Warranties

EXCEPT FOR THE WARRANTIES STATED IN SECTION 11, THE PRODUCTS ARE SUPPLIED "AS IS", "WHERE IS" AND "WITH ALL FAULTS". DANFOSS DISCLAIMS ALL OTHER WARRANTIES WITH RESPECT TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW, COURSE OF DEALING, USAGE OF TRADE OR OTHERWISE, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

13. Indemnification

Customer shall indemnify, defend and hold Danfoss harmless from all claims, including but not limited to all claims filed by third parties, for injuries, harms, losses or damages of any kind, (a) caused by or resulting from, (i) the Product after it has been delivered, (ii) the improper use, repair, maintenance or operation of the Product by Customer, (iii) the failure of Customer to adequately train personnel in the operation of the Product, or (iv) the Customer's failure to comply with applicable laws or regulations or (b) to products manufactured by the Customer or to products of which the Customer's products form a part.



The Customer consents to the jurisdiction of any court or arbitral tribunal in which any third party files a claim for injuries, harms, losses or damages allegedly caused by any Product sold to Customer.

14. Limitation of Liability

IN NO EVENT SHALL DANFOSS BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OR LOSSES ARISING OUT OF ANY BREACH OF WARRANTY, FAULTY PRODUCT, DELAY IN THE DELIVERY OF THE PRODUCT, PRODUCT LIABILITY, FAILURE TO WARN, RECALL OR OTHERWISE, IRRESPECTIVE OF THE CAUSE, INCLUDING BUT NOT LIMITED TO, LOSS OF PRODUCTION, LOSS OF PROFIT AND LOSS OF GOODWILL.

15. Notice of Claims

Claims or complaints as to defects and/or delay in delivery of the Products or other claims shall be submitted in writing by Customer to Danfoss without undue delay.

16. Intellectual Property Rights

If the Product is delivered with embedded software, Customer obtains a non-exclusive, software license in form of a right to use the software solely for the purposes set out in the applicable specification of the Product. Aside from this, Customer obtains no rights in form of license, patent, copyright, trademark or other proprietary right connected to the Products. Customer shall not obtain any rights to source codes to such software.

Danfoss, at its' election, may defend any suit or proceeding brought against Customer as far as the same is based on a claim that any Product of Danfoss' design furnished hereunder or any part thereof, constitutes an infringement of any United States or Canadian patent, if notified promptly in writing and given authority, information and assistance for the defense of the same and if such alleged infringement is not the result of the design or other special requirements specified by Customer or the application or use to which such Product is put to use by Customer or others. In the event that Danfoss elects to defend such suit or proceeding, Danfoss will pay all damages and costs awarded in such suit or proceeding against Customer. In the event that such Product or part in such suit is held to infringe any such patent and use thereof is enjoined, Danfoss will, at its option, (a) procure Customer with the right to continue use of such Product or part, (b) replace same with non-infringing Product(s) or parts, (c) modify the same so that it becomes non-infringing, or (d) remove said Product or part and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability of Danfoss to Customer for patent infringement.



17. Export

Customer is hereby advised and put on notice that Products may be subject to export controls and regulations of the United States, another country of manufacture or a country of transshipment, and export may require a valid export license. Danfoss' acceptance of Customer's order and delivery of the Products is expressly conditioned on compliance by Customer with all applicable export controls. Danfoss is under no obligation to sell or deliver the Products until all required export licenses have been granted. No Products sold to Customer may be exported unless such export complies fully with all applicable export regulations. Customer shall be responsible for obtaining all required export licenses and for all expenses of obtaining such licenses.

18. Prohibition on Resale and Use for Certain Purposes

Danfoss Products are produced exclusively for civilian use. Customer is not allowed to use or to resell the Products for purposes which have any connection to chemical, biological or nuclear weapons or for missiles which are capable of delivering such weapons. Customer is not allowed to sell the Products to persons, companies or any other kind of organization if Customer has knowledge of or suspects that said persons or entities are related to any kind of terrorist or narcotics activities. The Products may be subject to legal regulations and restrictions and may therefore be subject to restrictions in case of sale to countries/customers covered by export and import ban. These restrictions shall be observed in case of resale of the Products to such countries/customers.

Customer is not allowed to resell the Products if there is doubt or suspicion that the Products can be used for the purposes mentioned in the preceding paragraph. If Customer receives knowledge of or suspects that the conditions in this clause have been violated, Customer shall immediately inform Danfoss.

19. Force Majeure

Danfoss is entitled to cancel orders or suspend or delay delivery of Products and will not be liable for such cancellation, suspension, or any non-delivery, faulty or delayed delivery which partly or wholly is caused by circumstances beyond Danfoss' control, including, but not limited to, riots, civil unrest, war, terrorism, fire, insurrection, requisition, seizure, embargo or defects or delays in deliveries by sub-contractors, strikes, lockouts, slow downs, lack of transportation, scarcity of materials, accidents in product testing, and insufficient supplies of energy. Any of Customer's contractual rights are suspended or become void in any such circumstances referred to in this clause. Customer is not



entitled to any kind of damages or to make a claim whatsoever in case of cancellation or delayed delivery due to such circumstances.

20. Global Compact

Danfoss has joined the United Nations' Global Compact initiative which means that Danfoss has undertaken to live up to 10 principles on human rights, employees' rights, the environment and corruption. These principles are listed in "Danfoss Code of Conduct for Suppliers" to be seen on www.danfoss.com. Therefore, Danfoss encourages the Customer to comply with these fundamental principles. For further information on Global Compact: <http://www.unglobalcompact.org>

21. Partial Invalidity

If one or more of the terms and conditions in these Terms or any part of a term is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all further terms and conditions shall not be affected or diminished thereby.

22. Disputes

Any dispute between the parties concerning or arising from (a) a purchase of a Product or (b) any damages, injuries, losses or harms allegedly caused by any Product shall be decided under Wisconsin law.

Any such dispute which the parties themselves are unable to resolve shall be referred to and settled by arbitration in Chicago, Illinois under the American Arbitration Association's Commercial Arbitration Rules ("AAA Rules") by one arbitrator appointed in accordance with said AAA Rules. The Parties may refer the enforcement of any arbitral award to any competent court. English shall be the language to be used in the arbitration proceeding unless otherwise agreed between the parties. The arbitration proceedings and the arbitral award shall be confidential and involved persons on both sides are pledged to secrecy.