

CPC's Returned Goods – Policy & Procedures

The returned goods policy is based on Custom Pump & Controls, Inc.'s standard Return Policy as described below:

- A. **Requirements** – The Customer or Buyer must obtain a valid Return Material Authorization (“RMA”) number from the CPC for all Product returns. RMAs will be issued in accordance with the following terms and conditions:
1. The Customer / Buyer must provide all information as required by CPC for all returns, i.e. location of Product, reason for return, purchase order number, etc.
 2. RMAs are valid for thirty (30) calendar days from the date of issuance.
 3. Purchaser must allow for in-transit time for products to be physically received by CPC within the thirty (30) calendar days.
 4. RMAs will be issued for authorized returns under one of the following categories: (i) defective Products, (ii) billing or shipping discrepancies, (iii) mis-shipment, or (iii) damaged Product.
 5. The Customer or Buyer is responsible for ensuring that the RMA number is clearly visible on the address label of the Product packaging when it is returned.
 6. CPC will refuse delivery of any boxes without a valid, clearly visible RMA number as noted above.
 7. Overgoods are unauthorized returns. Any Products received by CPC (i) without a valid RMA number, including Product shipments refused by the Customer or the Buyer's customer except those damaged in transit from CPC to the Customer or from CPC to Buyer's customer, (ii) later than thirty calendar (30) days from the RMA date, or (iii) in a condition unsuitable for resale (excluding defective Products), will be considered Overgoods.
 8. CPC will return Overgoods to the Customer or the Buyer's customer, and will charge a \$50 processing fee per shipment plus related freight charges. If the Customer or Buyer refuses the shipment of Overgoods from CPC or returns the Overgoods to CPC a second time without CPC's prior authorization, the Customer or Buyer agrees to relinquish all right and title to and waives all claims against CPC for credit related to such Products.
 9. Notwithstanding anything to the contrary, CPC reserves the right not to authorize the return of Products that are no longer in production or are being produced by a manufacturer that (i) is insolvent, (ii) has declared bankruptcy, or (iii) will not accept returns from CPC.
- B. **Defective Product Returns** - Defective returns are only for Products purchased from CPC that are inoperable or do not function in accordance with the specifications published by the manufacturer and are covered under the manufacturer warranty. All defective returns may be subject to more restrictive manufacturer policies. The Customer or Buyer may request an RMA for the return of defective Products, excluding Special Order Products, within forty-five (45) calendar days of invoice date. Upon receipt of the defective Product for which the RMA was issued, CPC may test the Products and may return to the Customer or Buyer, at the

Customer's expense, any Products found not to be defective. Upon verification that the returned Product is defective, CPC may will either (i) repair the defective Product, (ii) ship the Customer / Buyer a replacement Product, or (iii) provide the Customer / Buyer a credit.

CPC reserves the right to require the Customer or Buyer to return defective Products directly to the manufacturer for replacement according to its defective Products return policy. CPC shall not be obligated to repair, replace, or issue credit to the Customer or Buyer for Products rendered defective, in whole or in part, by causes external to the Products, including, but not limited to, power failure, overvoltage, improper use, maintenance or application of the Products or use of unauthorized parts. The Customer or Buyer shall bear all risks of loss when returning defective Products.

- C. **Stock Balance Returns** - Stock balance returns are only for Products purchased from CPC that are unopened and unused and can be re-sold as new. All stock balance Products returned must be in the manufacturer's original packaging and in condition suitable for resale including, but not limited to, without price tags or stickers or additional shrink wrapping, clean, undamaged and complete. All stock balance returns may be subject to more restrictive manufacturer policies. The Customer / Buyer may request an RMA for the return of Products in Stock Balance Condition, except for Special Order Products, within ninety (45) calendar days of invoice date.

Upon receipt of the Product for which the RMA was issued, CPC will verify the condition of the Product. Any Products that are not in Stock Balance Condition will be considered Overgoods. CPC will return Overgoods to the Customer / Buyer and will charge a \$50 processing fee per shipment returned plus related freight charges. Additional fees may apply to returned Products; e.g., re-box, label removal, reshink, etc., that are not in Stock Balance Condition. Upon verification that the returned Product is in Stock Balance Condition, CPC will issue a credit to the Customer / Buyer. The Customer / Buyer shall pay all costs and bear all risks of loss when returning Stock Balance Products.

Damaged Product Returns - Damaged Product returns are only for Products purchased from CPC. The Customer or Buyer's customer shall refuse any Product delivered in damaged condition. If the Product is received in damaged condition, the Customer or the Buyer shall notify CPC and request an RMA within three (7) business days of receipt of such Product. Failure to notify CPC and request an RMA within such time shall be deemed an acceptance of the Product as of the date of shipment.