

NATIONAL RAILWAY EQUIPMENT CO.  
TERMS AND CONDITIONS OF SALE

Effective January 1, 2021

1. APPLICATION AND DEFINITIONS

These Terms and Conditions of Sale are the terms and conditions applicable to National Railway Equipment Co.'s (NRE) sale of all goods and services. If there is a contract between NRE and Buyer regarding the sale of goods and services by NRE ("Sale Contract"), the terms and conditions of the Sale Contract shall supersede these Terms and Conditions of Sale. In such cases, the remaining provisions of these Terms and Conditions of Sale shall continue to apply to the extent they are not superseded by the Sale Contract.

The term "Seller" as used herein shall mean National Railway Equipment Co. and its subsidiaries and corporate parent. The term "Buyer" as used herein shall mean the customer designated on a Seller quotation, invoice, or other order acknowledgement. The terms "Product" or "Products" means the goods and services sold, manufactured, designed, or quoted by Seller, as may be described on a quotation, invoice, or other order acknowledgement.

No binding or enforceable contract shall be entered into by Seller until the Buyer's order is accepted, in whole or in part, by Seller. Unless otherwise agreed to in writing signed by an authorized representative of Seller, it is understood and agreed that all quotations, invoices, and agreements specifically incorporate all of these Terms and Conditions of Sale, and are made solely on the basis of these Terms and Conditions of Sale.

These Terms and Conditions of Sale supersede all other terms, conditions, warranties, and other provisions, whether express or implied, oral or in writing, including without limitation all terms and conditions provided or proposed by Buyer. Any and all terms and conditions contained in, or incorporated by reference into, any purchase order or other document (whether in hard copy or electronic form) received from Buyer are hereby rejected by Seller and shall have no force or effect with respect to any sale of Products by Seller to Buyer.

2. PRICES

Orders will be entered with prices in effect at the time of receipt of the purchase order. All prices are subject to change without notice until quoted, and quoted prices are firm for thirty (30) days unless (i) the requested delivery date is one-hundred and eighty (180) days or more from the date Buyer's purchase order is received by Seller and/or (ii) Buyer's specifications are changed after prices are quoted by Seller, in which, in either event, Buyer agrees that Seller may adjust the price accordingly.

Unless otherwise agreed to in writing by an authorized representative of Seller, or unless quoted differently by Seller, all prices quoted are net, Ex-Works Seller's facility (EXW)(Incoterms 2010).

### 3. NO ORDER MODIFICATION OR CANCELLATION BY BUYER

Cancellations or changes to orders after Seller has accepted such order can be made only by an authorized representative of Seller. Any such cancellation or change, even if consented to by Seller, is subject to a payment of cancellation charges or other equitable adjustment to cover any increased cost or expense incurred by Seller. Without limiting the foregoing, any request for a decrease in scheduled quantities must be received by the Seller in writing at least one-hundred and eighty (180) days prior to the scheduled delivery date. Thereafter, no reduction in quantity will be permitted and payment in full must be made for the full quantity scheduled.

### 4. TERMS OF PAYMENT

Unless otherwise quoted by Seller in writing, all invoices shall be presented to Buyer when goods are shipped and are due and payable net thirty (30) days from date of presentation. Seller reserves the right to require payment upon order and before shipment if Seller, in its sole discretion, is unsatisfied with Buyer's creditworthiness or payment history.

Buyer shall have no right of setoff or to retain payment on account of any claim that it may have against Seller or its subsidiaries or affiliates. For each thirty (30) days, or part thereof, that an invoice remains overdue, Buyer agrees to pay interest charged on the unpaid balance at a rate of one and a half percent (1.5%) per month.

If Buyer fails to make any payment when due, in addition to all other sums payable owed, Buyer agrees to pay to Seller the reasonable costs and expenses incurred by Seller in connection with all actions taken to enforce payment, effect collection, or to preserve and protect Seller's rights hereunder, whether by legal proceedings, arbitration, or otherwise, including without limitation reasonable attorneys' fees, court costs, filing fees, and other expenses.

If Buyer is responsible for any delay in shipment exceeding ten (10) business days, Buyer agrees that (i) the date of completion of Products may be treated by Seller as the first day of the payment term calculation, and (ii) completed Products shall be held at Buyer's sole risk and expense, and Seller shall have the right to invoice Buyer for reasonable storage and insurance expenses.

### 5. TAXES

Prices exclude all duties, taxes, and other governmental charges, which are or may be imposed upon the sale or use of the Products. All such duties, taxes, or other charges paid by Seller shall be for Buyer's account. Any exemption claimed from the application of such duties, taxes, or other charges should be plainly designated on the face of orders placed with Seller and accompanied by exemption certificates where required.

### 6. DELIVERY

Shipment and delivery dates are estimated dates only and, unless otherwise specified, are calculated from the later of (i) the date of Seller's order acknowledgement or, (ii), if applicable,

the date of receipt by Seller from Buyer of full payment of the order price. Seller may deliver any or all of the Products in advance of the estimated delivery date. In the absence of definite shipping instructions sent by the Buyer with its order, Seller reserves the right to ship all Products by any common carrier deemed satisfactory by Seller in its sole discretion. Partial shipments may be made at Seller's option.

The date of delivery and risk of loss shall be in accordance with the applicable shipping term. If no shipping term is stated in the quote, invoice, or other order acknowledgement, the shipping term shall be Ex-Works Seller's designated facility (EXW)(Incoterms 2010).

In estimating dates of shipment or delivery, Seller has not made any allowance and shall not be liable for delays of carriers or delays from equipment failure, labor difficulties, weather, flood, fire, accident, war, terrorism, pandemic, power outage, computer failure, acts of government, acts of the Buyer, delays by suppliers or subcontractors, or any cause beyond Seller's reasonable control. When such delays arise the estimated delivery date shall be extended accordingly.

SELLER SHALL NOT BE LIABLE FOR ANY DAMAGES OR PENALTIES WHATSOEVER, WHETHER DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION LIQUIDATED DAMAGES OR LOST REVENUE), RESULTING FROM LATE DELIVERY OR PERFORMANCE.

Notwithstanding any provision to the contrary, under no circumstances will Seller be obligated to (a) deliver Delivered Duty Paid (DDP)(Incoterms 2010), (b) carry out any custom formalities for the import of the Products, and/or (c) otherwise take any action that would make Seller the importer of record of the Products.

## 7. INSPECTION, REJECTION, AND RETURNS

Claims for errors or shortages in shipments must be submitted to Seller, with adequate documentation, within fifteen (15) days of receipt. If Buyer rejects any Product supplied by Seller, Buyer must notify Seller in writing of such rejection within fifteen (15) days of delivery. Failure to make such notification shall constitute acceptance of Product and waiver of any such conditions. Upon receipt of a claim of rejection, Seller will designate a location at which the Products are to be inspected. Seller will not accept returned Products unless it has first given permission for such return. All returns, regardless of the reason, must be accompanied by the current Return Material Authorization paperwork, as provided by Seller and completed by the Buyer.

## 8. ORDERS IN ERROR

If Buyer desires to return Products ordered in error, Buyer must make such request in writing to Seller within fifteen (15) days of delivery. If Seller chooses to accept the return, Seller will advise Buyer in writing of the conditions of the return, including, but not limited to, a restocking fee not to exceed fifteen percent (15%) of the invoice value of the Products being returned, freight charges to be prepaid by the Buyer, and a stipulation that the Products must be in new and unused condition. Credit to the Buyer is dependent upon receipt of material, confirmation of

count, and final inspection by Seller. All credits issued will be at the purchase price, less the restocking fee. No Products which have been made to order specifically for Buyer will be accepted for return under this Section 8. Returned Products must be accompanied by a packing slip showing in detail the list of the Products and the date of the letter authorizing their return.

#### 9. WARRANTY AND LIMITATION OF LIABILITY

Seller's Limited Warranty shall apply to the sale of all Products by Seller, excluding software. A copy of Seller's Limited Warranty follows section 27 of these Terms and Conditions of Sale.

NOTWITHSTANDING ANY OTHER PROVISION OF THESE TERMS AND CONDITIONS OF SALE, SELLER SHALL NOT BE LIABLE TO BUYER FOR ANY CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES, INCLUDING LOST PROFITS.

#### 10. SOFTWARE WARRANTY

This software warranty shall apply to the sale of all software by Seller. Seller warrants that all software shall (i) substantially comply with Seller's specifications; (ii) function substantially in accordance with Seller's specifications; and (iii) be compatible with and substantially conform to user documentation and operating manuals furnished by Seller. This warranty coverage shall include all software maintenance, updates, patches, and fixes to the software by Seller. Such warranty shall extend for ninety (90) calendar days from the date of delivery of software. Seller does not warrant that Buyer's use of the software will be uninterrupted or error free.

Seller's responsibility under this warranty shall be to correct or replace, at no additional charge to Buyer, any part of the software found to be defective.

SELLER EXPRESSLY DISCLAIMS ALL OTHER EXPRESS AND IMPLIED REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SOFTWARE, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE OR USE BY BUYER.

NOTWITHSTANDING ANY OTHER PROVISION OF SELLER'S TERMS AND CONDITIONS OF SALE, SELLER'S TOTAL LIABILITY TO BUYER UNDER THIS SOFTWARE WARRANTY SHALL NOT EXCEED THE SALE PRICE OF THE SOFTWARE RECEIVED BY SELLER FROM BUYER.

#### 11. SOFTWARE LIMITATION OF LIABILITY

SELLER SHALL NOT BE LIABLE FOR ANY (A) SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, ARISING FROM OR RELATED TO THE OPERATION OR USE OF THE SOFTWARE, INCLUDING WITHOUT LIMITATION DAMAGES ARISING FROM LOSS OF DATA OR PROGRAMMING, LOSS OF REVENUE OR PROFITS, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, COMPUTER FAILURE OR MALFUNCTION, DAMAGE TO EQUIPMENT, AND CLAIMS AGAINST BUYER BY ANY THIRD PERSON, INCLUDING CLAIMS FOR PROPERTY DAMAGE OR

BODILY INJURY OR DEATH OF ANY PERSON, OR (B) DAMAGES (REGARDLESS OF THEIR NATURE) FOR ANY DELAY OR FAILURE OF SELLER TO PERFORM ITS OBLIGATIONS HEREUNDER DUE TO ANY CAUSE BEYOND SELLER'S REASONABLE CONTROL.

## 12. PROPERTY AND OWNERSHIP RIGHTS

Unless otherwise mutually agreed in writing, the design, development, or manufacture by Seller of Products for Buyer shall not be deemed to create a "work made for hire" and shall not give to Buyer any patent, copyright, or any other Intellectual Property Rights (as defined below) in the Products, or any portion thereof. All Intellectual Property Rights shall remain the property of Seller. All tooling, fixtures, test equipment, models, patterns, processing software and technology, and proprietary information of Seller, whether or not made for, obtained, created, or developed by Seller, shall remain the sole property of Seller. The payment by Buyer of any costs or expenses relating to any of the foregoing (including non-recurring expenses), shall not be deemed to grant Buyer any ownership interests therein.

"Intellectual Property Rights" means any and all intellectual property, including without limitation all patents, copyrights, trade secrets, trademarks, service marks, moral rights, and all other rights in Seller's confidential information and proprietary information.

## 13. RECORDS, AUDITS, AND PROPRIETARY DATA

Unless otherwise specifically agreed to in writing by an authorized representative of Seller, neither Buyer nor any third party shall have any right to examine or audit Seller's accounts, books, or records of any kind, or be entitled to, or have control over, any engineering or production prints, drawings, or technical data which Seller, in Seller's sole discretion, may consider in whole or in part confidential and proprietary to Seller. Unless Seller otherwise agrees to in writing, Seller will not furnish any drawings with any part of the Products.

## 14. INDEMNIFICATION

Buyer assumes liability for, and shall pay when due, and shall defend, indemnify, reimburse, and hold each Indemnified Person (defined below) harmless from and against all Claims (defined below), directly or indirectly arising out of or relating to (i) Buyer's negligence or alleged negligence, use, ownership, maintenance, transfer, sale, transportation, or disposal of the Products, (ii) Buyer's violation or alleged violation of any applicable law or regulation, and (iii) Buyer's breach or alleged breach of these Terms and Conditions of Sale.

"Claim" means all liabilities, losses, damages, actions, suits, demands, fines, penalties, including without limitation those relating to alleged and actual damage to or loss of use of property, and alleged or actual bodily injury or death of any person, and all costs and expenses that are incurred or suffered by an Indemnified Person in connection therewith (including without limitation reasonable attorney's fees).

“Indemnified Person” means Seller, and its respective successors, assigns, corporate parent, subsidiaries, affiliates, agents, officers, directors, shareholders, and employees.

Such indemnities shall continue in full force and effect for a period not to exceed the applicable statute of limitations. If appropriate, upon Seller’s written demand, Buyer shall assume and diligently conduct, at its sole cost and expense, the entire defense of any Indemnified Person against any Claim. Buyer shall not settle or compromise any Claim against or involving Seller without first obtaining Seller’s written consent thereto, which consent shall not be unreasonably withheld. Buyer shall give Seller prompt notice of any occurrence, event, or condition in connection with which Seller may be entitled to indemnification hereunder.

#### 15. ASSIGNMENT

Buyer shall not assign its rights under these Terms and Conditions of Sale or any agreement associated herewith without the express written consent of an authorized representative of Seller.

#### 16. NO WAIVER / SEVERABILITY

No failure by Seller in exercising any right, power, or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power, or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. A determination of invalidity of any term or condition herein shall not invalidate any other provision, and the remaining terms and conditions shall be given full force and effect.

#### 17. GOVERNING LAW AND ARBITRATION

The Terms and Conditions of Sale shall be deemed an agreement made under the laws of the state of Illinois, and for all purposes shall be construed and enforced in accordance with, and governed by, the laws of the state of Illinois without reference to its conflict of laws provisions, notwithstanding delivery by Seller to a state or country other than Illinois USA.

Any controversy or claim arising out of or relating to these Terms and Conditions of Sale, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, in English under one (1) arbitrator in St. Louis, MO, and any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Buyer and Seller expressly agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to Seller’s sale of Products, or Buyer’s purchase of Products, under these Terms and Conditions of Sale.

#### 18. DEFAULT BY BUYER

Buyer shall be in default under these Terms and Conditions of Sale if at any time (i) Buyer fails to pay when due any amount owed to Seller, (ii) Buyer fails to observe or perform any of its obligations hereunder, or breaches any of the terms and conditions herein, (iii) Buyer breaches any representation or warranty of Buyer contained herein, or otherwise provides any false

information to Seller, (iv) Seller, in good faith, reasonably believes that Buyer's payment or performance is or is about to be impaired, or that the Products are about to be in jeopardy, or (v) Buyer fails or refuses to accept delivery of the Products in accordance with these Terms and Conditions of Sale.

#### 19. REMEDIES OF SELLER

If Buyer is in default under these Terms and Conditions of Sale, in addition to any other right or remedy Seller may have, with or without legal process, notice or demand, and without any liability whatsoever to Buyer, Seller may: (i) declare all amounts owed by Buyer to be immediately due and payable, (ii) take possession of the Products, and (iii) cancel any orders of Buyer, and cancel the delivery of any undelivered portions of any orders of Buyer.

Buyer agrees to pay to Seller the reasonable costs and expenses incurred by Seller in connection with all actions taken to enforce payment, effect collection, or to preserve and protect Seller's rights hereunder, whether by legal proceedings, arbitration, or otherwise, including without limitation reasonable attorneys' fees, court costs, filing fees, and other expenses.

Seller's rights and remedies are cumulative, and Seller may exercise or enforce any one or more of them successively or concurrently.

#### 20. BUYER'S COVENANTS

Until the price of the Products and all amounts payable by Buyer are paid in full, Buyer agrees that it will (i) keep the Products free from all mortgages, charges, liens, encumbrances, and security interests, except for those in favor of Seller, (ii) keep the Products in good working order, condition and repair, (iii) not keep or use the Products in violation of these Terms and Conditions of Sale or any applicable law, (iv) keep accurate and complete records concerning the Products, (v) permit Seller to access the Products, (vi) not sell, lease, or transfer the Products or any interest therein to any third party, and (vii) notify Seller of any change in Buyer's name or address.

#### 21. EXPORT CONTROL

Buyer acknowledges and agrees that any and all Products, materials, data, and services of any kind provided by Seller under these Terms and Conditions of Sale, and any transaction, purchase, sale, or agreement entered into in connection with these Terms and Conditions of Sale are subject to U.S. export control laws, regulations, and orders. Buyer agrees to comply with all applicable export control laws, regulations, and orders. Specifically, but without limitation, Buyer agrees that it will not resell, re-export, transfer, or ship, directly or indirectly, any Products, materials, or data provided by Seller (i) in violation of any applicable export control law, regulation, or order, and (ii) without obtaining any necessary or required export or re-export licenses.

Seller in its sole discretion may immediately and unilaterally terminate any obligation to Buyer without notice and without penalty or liability of any kind to Buyer or any third party if: (i)

Seller becomes aware of any actual or potential violation by Buyer of any applicable export control law, regulation, or order, or; (ii) Seller in its sole discretion determines that any purchase, sale, transaction, or agreement entered into between Buyer and Seller in connection with these Terms and Conditions of Sale violates or may violate any applicable export control law, regulation, or order.

Seller shall not be liable to Buyer or any third party for any damages of any kind for delay in or failure to perform under any agreement (including without limitation under these Terms and Conditions of Sale) resulting from or in connection with Seller's failure or inability to obtain any required export license, authorization, or registration.

## 22. INTELLECTUAL PROPERTY RIGHTS

Buyer agrees that, for all purposes, Seller has and shall retain full title, exclusive ownership rights, and all Intellectual Property Rights (as defined below) in and to the Products, in the content thereof, and in the ideas and concepts embodied therein, and in all copies, modifications, alterations, and enhancements to the Products or Product documentation, including any derivative works based upon the Products, regardless of whether Buyer, its employees, agents, or contractors may have contributed to the work or joined in its development. Buyer will not acquire any rights in or to any of the Products or any other Intellectual Property Rights of Seller, nor will it take any action that may adversely affect or impair Seller's rights, title, and interest in or to its Intellectual Property Rights.

"Intellectual Property Rights" means any and all intellectual property, including without limitation all patents, copyrights, trade secrets, trademarks, service marks, moral rights, and all other rights in Seller's confidential information and proprietary information.

## 23. SOFTWARE

There shall be no license of Seller software granted under these Terms and Conditions of Sale, provided however, that if any Seller software is included or embedded in the Product, the Seller and Buyer may enter into a separate software license agreement.

## 24. SURVIVAL

Sections 1, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25 shall survive the expiration or termination of any purchase, sale, transaction, or agreement entered into by the parties in connection with these Terms and Conditions of Sale for a period not to exceed the applicable statute of limitations.

## 25. NO OBLIGATION TO STOCK SPARE PARTS OR REPLACEMENT PARTS

Seller reserves the right to discontinue or modify any Product at any time without liability except to refund any sums already paid by Buyer for the undelivered portion of such Product. Seller shall have no obligation to stock or supply spare or replacement parts for any Product it sells.



## 26. AGREEMENT TO CONDUCT TRANSACTIONS ELECTRONICALLY

Subject to Section 1, the parties acknowledge and agree that the transactions under these Terms and Conditions of Sale, including quotations, order submission, order acknowledgement, credit card payment, and related communications may be conducted electronically. For the avoidance of doubt, the terms “written,” “in writing,” and similar terms shall include email and other electronic communications.

## 27. EXCUSABLE DELAYS

In addition to any excuse provided by applicable law, Seller shall not be liable for any delay, non-delivery, or failure to perform any of its obligations under these Terms and Conditions of Sale arising from any event beyond Seller's control, whether or not foreseeable by either party, including but not limited to, supplier delay, labor disturbance, war, terrorism, pandemic, fire, accident, adverse weather, inability to secure transportation, governmental act or regulation, inability of Seller to obtain materials, and other causes or events beyond Seller's control, whether or not similar to those enumerated above.

### **NATIONAL RAILWAY EQUIPMENT CO. LIMITED WARRANTY**

1. National Railway Equipment Co. (NRE) warrants that all materials provided by NRE to Purchaser shall be free from defects in materials and workmanship, as per the terms of this Warranty.
2. NRE warrants the following materials as follows. Only one of the below categories, in NRE's determination, shall apply to a claim under this Warranty.
  - 2.1. QUALIFIED LOCOMOTIVE
    - 2.1.1. Crankshaft and AC main alternator (DC main generator not included) warranted for six (6) months from date of shipment.
  - 2.2. EMISSION KIT
    - 2.2.1. All emission kit components (including remanufactured power assemblies), with the exception of new power assemblies, warranted for a) one (1) year from date of shipment, or b) 100,000 miles, whichever occurs first.
    - 2.2.2. New power assemblies warranted for a) two (2) years from date of shipment, or b) 200,000 miles, whichever occurs first.
  - 2.3. NEW & REMANUFACTURED LOCOMOTIVE
    - 2.3.1. If shipping destination is in North America: Warranted for twelve (12) months from date of factory acceptance; OR
    - 2.3.2. If shipping destination is outside North America: Warranted for fifteen (15) months from date of factory acceptance.
  - 2.4. NEW/REMANUFACTURED PART AND NEW/REMANUFACTURED ENGINE (including traction motors, generators, and other rotating electrical components)
    - 2.4.1. Warranted for twelve (12) months from date of shipment.
  - 2.5. NEW/REMANUFACTURED ELECTRONIC COMPONENTS (including NFORCE, NLIMIT, NCORDER, and other similar electronics)
    - 2.5.1. New electronic components warranted for twenty six (26) months from date of shipment.
    - 2.5.2. Remanufactured electronic components warranted for ninety (90) days from date of shipment.
3. **THIS WARRANTY IS MADE SOLELY TO THE ORIGINAL PURCHASER, EXCLUSIVE AND IN LIEU OF ANY WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTY, EITHER EXPRESS OR IMPLIED.**

4. If a defect in materials or workmanship is found during the warranty period, NRE will, during normal business hours, at its option a) provide new or remanufactured part(s) needed to correct the defect, b) require the part(s) to be returned to NRE's designated facility, where NRE will repair the part(s), or c) repair or replace the part(s) on Purchaser's premises.
5. LIMITATIONS:
  - 5.1. This Warranty does not cover a) shipping or freight costs to and from NRE's designated facility, b) labor costs to repair or replace the part(s), c) any tax, duty, or customs fees, or d) costs of inspection or testing.
  - 5.2. This Warranty does not cover materials that have been a) subject to misuse, neglect, or accident, b) repaired or modified by any party besides NRE, or c) in NRE's judgment, used or installed improperly.
6. Purchaser, to recover under this Warranty, must do the following during the warranty period:
  - 6.1. Notify NRE in writing within thirty (30) days of discovering the defect.
  - 6.2. Return the defective part(s) (including all components related to the defective part(s)) to NRE's designated facility within a) thirty (30) days of being instructed by NRE to return such part(s) (for materials located in North America), or b) ninety (90) days of being instructed by NRE to return such part(s) (for materials located outside North America). If Purchaser fails to return the defective part(s) within agreed timeframes, Purchaser will be charged the cost of replacement part(s).
  - 6.3. Perform all required maintenance, and use proper fuel, oil, lubricants, coolant, and filters.
  - 6.4. To facilitate failure investigations, provide all electronically stored data regarding the defective part(s), and provide all other information reasonably requested by NRE regarding the defect, operating conditions, and maintenance, including photographs and oil samples.
  - 6.5. Provide NRE the opportunity to inspect the defective part(s) and related components.
7. **NRE SHALL NOT BE RESPONSIBLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR LOST PROFITS OR REVENUES.**
8. **NRE'S MAXIMUM LIABILITY TO PURCHASER UNDER THIS WARRANTY SHALL BE LIMITED TO THE FOLLOWING, AT NRE'S OPTION: A) THE REPAIR OR REPLACEMENT OF THE DEFECTIVE PART(S), OR B) THE COST OF REPAIRING OR REPLACING THE DEFECTIVE PART(S).**
9. This Warranty shall be governed by and construed in accordance with the laws of the State of Illinois, USA, without reference to its conflict of laws provisions. Illinois shall be the forum for all legal proceedings arising from or related to this Warranty. Purchaser hereby waives, to the fullest extent permitted by law, any objection to Illinois as the forum for all legal proceedings arising from or related to this Warranty. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Warranty.