

## Terms and Conditions of Sale

**Acceptance And Complete Agreement.** These Terms and Conditions (the “Terms”) govern all sales quotations made, purchase orders received and sales of components, equipment, parts, and other products (“Product”) by Relyco Sales, Inc. (“Seller”) to the buyer of the Products (“Buyer”). THE ACCEPTANCE OF ANY OR ALL OF THE BUYER’S PURCHASE ORDERS IS CONDITIONAL UPON BUYER’S ASSENT TO THESE TERMS AND SELLER’S RETURNED MERCHANDISE AUTHORIZATION (RMA) POLICY, INCORPORATED BY REFERENCE HEREIN, IN LIEU OF THE TERMS CONTAINED IN BUYER’S PURCHASE ORDER. Any terms or conditions on any of Buyer’s forms, correspondence, or orders that are different from or in addition to these Terms are specifically rejected. Seller’s failure to object to provisions contained in any communication from Buyer shall not be construed as a waiver of these Terms or as an acceptance of any such provision. No order shall be binding upon Seller unless and until such order is accepted (or otherwise processed) by Seller at its principal office in New Hampshire. Buyer’s order will be deemed a representation that Buyer is solvent and able to pay for the Products ordered.

**Prices.** Buyer will be billed at the prices stated at the time of order acceptance. All prices are subject to adjustment on account of specifications, quantities, shipment arrangements or other terms and conditions, which are not part of the original price quotation. If the prices are based on the purchase of a particular quantity of goods and Buyer fails to purchase that quantity which would justify the pricing granted, Seller shall have the right to recover from Buyer the difference between the stated price and Seller’s standard prices for such goods in the quantity actually purchased by Buyer. Prices quoted are for EXW shipment (Incoterms 2010). Any products to be manufactured or provided by any third party which are assigned for purchase to Seller by Buyer in connection with an accepted order shall be assigned at the current price in effect at the time of Seller’s acceptance of Buyer’s order. Should the price of any such products increase prior to Seller’s shipment, Seller’s price to Buyer shall be increased by the difference between the original price and the price in effect at the time of shipment to Buyer.

**Security Interest.** Seller reserves a purchase money security interest (“PMSI”) to secure payment for the Products. Any payment default shall permit Seller, in its sole discretion, to declare all obligations of Buyer immediately due and payable, and in such event, Seller shall have all the rights and remedies of a secured party under applicable law. In connection with the security interest granted herein, Seller is expressly authorized, at its discretion, to file one or more financing statements or other notices under applicable law naming Buyer as debtor and Seller as secured party.

**Taxes.** Unless otherwise specified or required by law, all prices will be quoted and billed exclusive of customs, duties or taxes, and Buyer shall be responsible for all such applicable duties and taxes (exclusive of taxes on Seller’s income). If exemption from such taxes is claimed, Buyer must provide a certificate of exemption at the time the Purchase Order is submitted to Seller, and Seller agrees to indemnify Seller for any unpaid taxes in the event such exemption is not applicable.

**Terms and Methods of Payment.** All payments are to be made in U.S. Dollars. Unless otherwise specified in writing by Seller, payment terms are 1% 10 net 30 from date of Seller’s invoice. Past due amounts will bear interest at 2% per month (24% per annum), but in no event more than the maximum amount permitted by law. If Seller accepts partial payment in an amount less than the full amount of any invoice, such acceptance shall neither constitute a waiver of Seller’s right to collect the balance nor an accord and satisfaction, notwithstanding Seller’s endorsement of a check or other instrument. Buyer acknowledges that a \$25 processing fee, in addition to any applicable late penalties, will be charged for each rejected credit payment or any check that is returned by the Buyer’s bank for any reason.

**Shipments.** All Product will be shipped EXW (Incoterms 2010) and the manner of shipment shall be at Seller’s option, unless specifically agreed to by Seller in writing. Shipments shall be subject to approval of Buyer’s credit by Seller. In the case where Buyer’s credit is or has become unacceptable to Seller, Seller may, in its sole discretion, terminate the order, refuse to make shipment or refuse to make further shipments, in each case unless and until payment is made by Buyer or satisfactory security for payment is received by Seller, prior to shipment. In the absence of specific

instructions, Seller will select the carrier but shall not be deemed thereby to assume any liability in connection with the shipment, nor shall the carrier be construed to be an agent of Seller. It is the responsibility of Buyer to arrange for and obtain insurance coverage for the Products, if so desired. Any claims for loss, damage, or misdelivery shall be filed with the carrier. Unless otherwise specified in writing by Seller, Buyer is responsible for all site preparation and for receiving, storing, installing, starting up and maintaining all Product.

**Delivery Dates.** The estimated shipping schedule stated or confirmed by Seller is based on Seller’s prompt receipt of all necessary information and/or goods from Buyer to properly process the order, and does not constitute a commitment or a guarantee to deliver Product in accordance therewith. Seller will use reasonable efforts to ship on or before the estimated shipping dates.

**Force Majeure.** Seller shall not be liable for any loss, delay or failure to perform resulting from any circumstance, direct or indirect, reasonably beyond its control including, without limitation, fire, flood, accident, explosion, mechanical breakdown, strike or other labor trouble, plant shutdown, terrorism, unavailability of or interference with the usual means of transporting the Product or compliance with any law, regulation, order, recommendation or request of any governmental authority. In addition, Seller shall be so excused in the event it is unable to acquire from its usual sources and on terms it deems to be reasonable, the Products or any material necessary for manufacturing the Product. In the event that there should be a shortage of any Product, Seller may apportion its available Product among itself, its affiliates and all its customers in such equitable manner as it deems fair and reasonable. Any delivery date may be extended, at Seller’s option, to the extent of any delay resulting from any force majeure event.

**Returns.** Any Product return shall be returned to Seller ONLY upon assignment of an RMA Number by Seller. Such RMA Number must be displayed prominently on the outside of the box that contains the returned Product. Any Product returned to Seller without a RMA Number will be refused and returned to Buyer at Buyer’s expense. Returns will not be accepted by Seller for any reason other than for: (i) verifiable Product defects or damage occurring within the warranty period, or (ii) mishandled shipments directly caused by Seller. Return requests involving mishandled shipments must be brought to Seller’s attention within five (5) days of original ship date. Seller reserves the right to reject any request regarding mishandled shipments submitted more than five (5) days after the original ship date. In the event that Seller authorizes a return, Seller reserves the right to credit, replace, or repair material at its discretion.

**Termination.** Orders accepted by Seller may be canceled by Buyer ONLY with the written consent of Seller and upon Buyer’s reimbursement of Seller for all losses, damages, costs, lost profits and expenses arising from such cancellation. Any deposits made by Buyer for orders accepted by Seller, and which are subsequently cancelled by Buyer, are not refundable. Seller shall have the right to cancel any order placed, or to refuse, or to delay, the shipment thereof for failure of Buyer to make all payments when due to Seller, or any other reasonable requirements established by Seller, or for any acts or omissions of Buyer that delay Seller’s performance. In the event of bankruptcy or insolvency of Buyer, or in the event any proceeding is brought by or against Buyer, voluntarily or involuntarily, under any provision of the U.S. Bankruptcy Code or any other insolvency law, Seller shall be entitled to cancel any order then outstanding.

**Applicable Law.** The validity, performance, and construction of these Terms shall be governed by the laws of the State of New Hampshire. All controversies and disputes arising between the parties hereto shall be resolved by the state or federal courts in New Hampshire. The parties consent to jurisdiction of said courts and to service of process in any manner approved by said courts. The parties hereby acknowledge that the rules of the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply hereto and shall not be used for interpretation of the sale of Products hereunder.

**Government Contracts.** If a Product is to be used in the performance of a government contract or subcontract, the government contract number and a statement to this effect shall appear on Buyer’s purchase order, and in such event, those clauses of the applicable government procurement regulation which are mandatorily required by federal statute

to be included in government subcontracts shall be included in the order and, upon acceptance by Seller, shall be incorporated herein by reference.

**Export.** Buyer acknowledges that Seller’s shipments are or may be subject to restrictions and limitations imposed by United States export controls, trade regulations and trade sanctions. Buyer at all times will comply with such sanctions, controls and regulations and will cause compliance with such sanctions, controls and regulations in its use and disposition of the Products. If the Products ordered are to be exported from the United States, the quoted shipping dates are subject to receipt of all export documents and authorizations. Regardless of ultimate destination, the prices quoted are based on packing for domestic shipment unless otherwise stated in writing. Buyer agrees to provide Seller in writing with the ultimate destination and identity of the end-user prior to shipment if the Products are to be exported. Unless otherwise specifically agreed to by Seller in writing, Buyer shall not export, or re-export, either directly or indirectly, any Product, without first obtaining a license from the United States Department of Commerce or any other agency or department of the United States government, as required. Buyer will indemnify and will hold Seller harmless from and against any claim, loss or liability arising out of Buyer’s breach of the foregoing covenants.

**Assignment.** These Terms shall be binding upon and inure to the benefit of the parties and the successors and assigns of the entire business and goodwill of either Seller or Buyer, or of that part of the business of either used in the performance hereof, but shall not be otherwise assignable.

**Warranty.** Buyer acknowledges that Seller is a supplier and not a manufacture of the Products. The only warranties applicable to the Products are those extended by the respective Product manufacturer. Seller shall pass through and assign to Buyer, to the extent permitted by law, any and all third-party manufacturer’s warranties on the Products. Buyer shall look solely to such third-party manufacturer for any repairs. SELLER DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY AND ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND WHATSOEVER, WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY PARTICULAR PURPOSE, OR NON-INFRINGEMENT.

**Limitations.** IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL SELLER’S LIABILITY EXCEED THE PRICE ACTUALLY PAID BY BUYER TO SELLER FOR THE SPECIFIC PRODUCTS GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. SELLER SHALL NOT, UNDER ANY CIRCUMSTANCES, BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES, WHETHER OR NOT FORESEEABLE. NO ACTION, REGARDLESS OF FORM, ARISING OUT OF ANY TRANSACTION GOVERNED BY THESE TERMS, MAY BE BROUGHT BY BUYER MORE THAN ONE (1) YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED. The foregoing allocation of risk and limitation of liability has been agreed to by the parties and forms the basis of their willingness to enter into any accepted order.

**General.** No modifications to these Terms shall be enforceable except when in writing and signed by both parties. Any provision hereof which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. No waiver of any breach of any provision of these Terms shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party. All Seller’s rights and remedies, whether evidenced hereby, by any other agreement, at law or in equity shall be cumulative. These Terms constitute the entire agreement between Buyer and Seller with respect to the Products purchased, and supercede all prior or contemporaneous negotiations, understandings and agreements.

**Revised October 7, 2011. This revision supersedes all previous revisions and versions.**