

Airline Hydraulics Corporation  
Standard Terms and Conditions

- 1.A** Products and services sold either by Airline Hydraulics Corp. (“AHC”) in person or on its website ([www.airlinehyd.com](http://www.airlinehyd.com)), are expressly subject to these terms and conditions set forth herein. Additional or different terms in Buyer’s purchase order shall not be binding on AHC, and are hereby expressly rejected. No person has the authority to alter these terms and conditions other than a corporate officer, or its designee, of AHC. If there is a conflict in language, the order of precedence is: 1) the terms and conditions in the acknowledgement, 2) the terms and conditions on [www.airlinehyd.com](http://www.airlinehyd.com), 3) the terms and conditions contained herein.
- 1.B For Use on the Website** You agree that you are purchasing the products that appear in the order that accompanies these Terms and Conditions. When you execute the order by clicking “I agree”, you will be asked to confirm that you have read, and you agree to these Terms and Conditions for the order. Furthermore, you hereby declare that the information provided in the order that you submit (in particular, your contact information and billing information) is accurate and truthful and warrant that you are an authorized agent of the Buyer. If you do not agree to the Terms and Conditions for the order, you will not be permitted to purchase the products in the order.
- 2.A General** AHC reserves the right to offer one time volume discounts based on the quantity of product(s) purchased. Special charges and fees will be reflected as separate line item on quotations and orders. These charges and fees may include but are not limited to, expedite fees, drop ship fees, documentation charges, special packaging, crating, or other add on charges customary in the industry. All prices are F.O.B. (Free on Board) shipping point unless otherwise specified. Product dimensions, weights, and/or quantities are subject to change. Prices, not on quotes or acknowledged on orders, are subject to correction or change at any time and without notice.
- 2.B Quotes** Quoted prices are valid up to the expiration date depicted on quote. If no expiration date is provided, then the price is valid for 60 days. Current prices for many products can be viewed on-line, at any time, at [www.airlinehyd.com](http://www.airlinehyd.com). AHC reserves the right to modify the validation period of an existing quote at its discretion.
- 2.C Orders** AHC’s acknowledged prices are firm and final. Products that do not ship within 90 days from date of order may be subject to a price change due to manufacturer/supplier price increases and applied surcharges. Otherwise, prices in effect at time of shipment will prevail.
- 2.D Invoicing** Invoices are generated on the day of shipment. The preferred method to distribute invoices is by e-mail. All invoices can be viewed and reproduced by direct access to the “My Account” section on the Airline website, [www.airlinehyd.com](http://www.airlinehyd.com). Individuals desiring access to the My Account section must be registered to obtain an online account and access to the My Account section. Invoices will be mailed via USPS at Buyer’s request. Buyer has 30 days from date of invoice to bring price discrepancies to AHC’s attention. Buyer has no recourse beyond 30 days.
- 2.E Taxes** Prices do not include any existing sales, use, excise, or similar taxes as of the date of order. All such taxes shall be the sole responsibility of the Buyer. AHC reserves the right to invoice separately for taxes as may be imposed at a later time. Buyer is obligated to provide current tax exemption certificate(s), if eligible. AHC is presently required to collect sales tax on all sales for the following states, ME, RI, MA, NY, PA, NJ, MD, and VA.

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- 2.F Payment Terms** Unless otherwise agreed in writing by an authorized officer, or its designee, of AHC, payment is due within thirty (30) days of the invoice date. U.S. Postal Service post mark shall be determinative. For invoices transmitted electronically or via email, the date of the invoice shall be determinative. At its discretion, and based on any number of factors or circumstances, AHC may elect to extend payment discounts or require a down payment or progress/milestone payments. Payment discounts are not available for payment by credit card or for cash purchases. Preferred method of payment is Electronic Funds Transfer (EFT). AHC accepts checks and all major credit cards. Charges are applied to the credit card at the time of shipment, unless the order is subject to a down payment. Where allowed by law a 3% convenience fee may be charged if the invoice is being paid by credit card and the credit card was not presented at time of order. A \$50.00 processing fee will be charged for payments returned due to insufficient funds. In the event Buyer fails to make payment in accordance with the terms of this Agreement, the account shall be deemed to be delinquent and to the extent permitted by law, a late charge of one and one-half percent (1½%) per month will be assessed on the unpaid balance. Buyer agrees to pay all collection costs and expenses, including reasonable attorney fees, incurred by AHC in collecting or attempting to collect any past due account.
- 2.G Change in credit terms** AHC has the right, at any time and at its sole discretion, to immediately change the terms of any credit extended to Customer if: (i) there is a material change in Customer's financial capability or creditworthiness; (ii) Customer enters into or signs an agreement regarding any Change of Control; (iii) Customer filed for Federal bankruptcy protection or seeks financial reorganization under any applicable state insolvency laws; or (iv) a trustee, receiver or examiner is appointed for Customer or its affiliates or subsidiaries. Credit terms can, at the sole discretion of AHC, be changed to any legal terms up to and including requiring payment for any shipment of any product hereunder in advance or, in the alternative, the provision of satisfactory security. If Buyer fails to make payment in accordance with the terms of this Agreement or fails to comply with any provision hereof, AHC may at its option, in addition to any other remedies, cancel any unshipped portion of an order and other pending orders. Buyer shall remain liable for all unpaid accounts. "Change of Control" means any (x) sale, lease, or other disposition of all or substantially all of Customer's assets; (y) transaction or series of related transactions (by stock sale or otherwise) in which any new person or entity becomes the beneficial owner, directly or indirectly, of more than 50% of Customer's voting control; or (z) merger or consolidation involving Customer. Additionally, Customer, and each of its subsidiaries and affiliates, agrees to provide to AHC proper authorization necessary for AHC to request any financial information from third parties.
- 2.H Payment Guarantee** Customer hereby unconditionally guarantees payment as a primary obligor of, as provided herein, all purchases made by Customer, its subsidiaries and affiliates. Each of Customer's subsidiaries and affiliates purchasing from AHC are jointly and severally liable for all purchases made by Customer and its subsidiaries, and Customer is also acting as agent for such subsidiaries and affiliates. Customer further agrees to defend, indemnify and hold harmless AHC from any and all claims, injuries, damages, losses or lawsuits, including, without limitation, attorneys' fees and costs, arising out of, or in connection with any attempt to disgorge or recover payments to AHC made on behalf of Customer by a subsidiary and affiliate on the grounds that such payment was improper, unauthorized, or constituted an alleged legally avoidable transfer.
- 2.I Credits** Customer agrees credit balances issued by AHC must be used within two (2) years for the date the credit was issued and may only be used for the purchase of products. Any unused credit or portion thereof will automatically expire after two

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(2) years, or be processed pursuant to state law. AHC may apply any miscellaneous credits to the account of the Buyer, including the off-set of any unpaid invoices, late charges or others amounts due to AHC.

- 2.J Shipping and Handling** AHC applies a shipping and handling fee, which includes internal handling and related costs, on each package at the time of order and reflected on the AHC invoice. Receipts for shipping and handling will not be furnished. Any charges incurred resulting from non-standard parcel shipment services must be paid by the Buyer. AHC reserves the right to apply fuel surcharge or any other related charges imposed by a carrier(s). No COD shipments are permitted.
- 2.K Inactive Accounts** Accounts will be deemed inactive after a period of eighteen (18) months without sales activities. Accounts seeking to be reactivated will be required to submit a completed credit application.
- 2.L Cancellation Policy** No order may be canceled or changed in whole or in part without the prior written consent of AHC. Special orders, assemblies, kits, value-add, modified products, software, and materials deemed by manufacturer or supplier to be non-cancelable and non-returnable cannot be returned to AHC. Permissible cancelled orders will be subject to a processing fee and cancellation fee. Any reduction in quantities ordered shall constitute a partial cancellation subject to this clause. If any change causes an increase in the cost of or time required for the performance of any work under the order, an equitable adjustment will be made to the price and delivery schedule. Where AHC consents to cancellation or a partial cancellation Buyer will pay to AHC, upon delivery, the full purchase price of all articles completed at the time AHC agrees to the cancellation and, if AHC elects to complete any part or all of the articles scheduled for delivery within 30 calendar days from such time, the full purchase price of all such products so completed must be paid. For any items not completed within this time, the Buyer remains required to pay AHC all committed costs. "Committed costs" include, but are not limited to, cancellation charges imposed on AHC by its suppliers, AHC labor and overhead incurred, cost of material purchased that has not been applied to completed units and full unamortized costs of dies, tools, patterns, and fixtures, made or contracted specifically for Buyer's order. Invoices for all cancellation charges are payable promptly upon presentation. If within 60 calendar days from the presentation of such invoice, Buyer does not instruct AHC as to the disposition of the materials arising from the cancellation; AHC may sell such materials, crediting Buyer for the proceeds. Buyer will also pay the reasonable costs and expenses incurred by AHC in effectuating the permissible cancellation hereunder and in protecting property in which Buyer has an interest. AHC will defer manufacture or delivery of any products only if and to the extent agreed to in writing.
- 3.A Purchase Order Submittal and Processing** Purchase orders can be submitted to AHC by telephone, e-mail, fax, USPS, and through the Airline website, [www.airlinehyd.com](http://www.airlinehyd.com). Purchase orders can be entered on the website 24/7, 365 days, and can be entered by individuals with a registered account or anonymously (guest). Orders entered after 5:00PM EST will be processed the following business day. AHC does not process and ship orders on Saturday, Sunday, and most holidays. Orders submitted on these days will be processed the following business day. Orders received from first time customer may require additional verification which may result in a delay in the processing of the submitted order. Orders deemed to be "rush" orders should be submitted through the website or communicated by phone to ensure the receipt and processing of the "rush" order in a timely manner. AHC will not accept responsibility for "rush" orders submitted using channels beyond that of the website or telephone. To avoid order processing problems and delay, where applicable, the AHC quotation number should appear on all customer purchase

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orders.

- 3.B Acceptance** Any Buyer's purchase order is subject to approval and acceptance by authorized personnel of AHC. Buyer agrees to inspect the Products within seventy-two (72) hours after receipt of the Products, and Buyer agrees to promptly notify AHC of any readily-apparent defects, shortages or nonconformities. Buyer waives any right to object to such defects, shortages or nonconformities later than seventy-two (72) hours after receipt of the Products. Buyer has no claim with AHC for damages occurring during shipment. Claim for damages is to be immediately filed with shipper by Buyer. It is recommended Buyer preserve or photograph damaged packaging or crating to validate claim with carrier. It is also recommended Buyer indicates damage while signing for a delivery in which transit damage is suspected
- 3.C Delivery in Installments / Partial Shipments** AHC reserves the right to make delivery in installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Buyer of the obligations to accept and pay for remaining deliveries.
- 3.D Delivery and Title** Delivery dates are approximate and are based upon prompt receipt of all necessary information and approvals from Buyer. Unless otherwise agreed in writing by AHC, delivery will be made and title will pass to Buyer F.O.B. point of shipment. Unless otherwise provided in writing, freight charges on all shipments, and spotting, switching, demurrage, or drayage at destination are to be paid by Buyer. AHC reserves the right to apply fuel surcharge or any other related charges imposed by a carrier(s). Risk of loss of transporting the goods shall pass to Buyer at point of shipment. Products invoiced and held by AHC at Buyer's request will be held at Buyer's expense and risk. Selection of the carrier and route will be made by AHC unless specifically designated by the Buyer in writing prior to shipment. Buyer has no claim with AHC for damages occurring during shipment. Claim for damages is to be immediately filed with shipper by Buyer. AHC will aim to deliver the Products as close as possible to the Buyer's requested delivery date. Buyer acknowledges that shipment and delivery dates provided by AHC are estimates only and that AHC will not be liable for failure to achieve such dates.
- 3.E Dedicated Inventory Agreements** Dedicated Inventory Agreements "DIAs" are agreements between AHC and Buyer whereby AHC will hold a certain quantity of inventory that will be dedicated to the buyer. The DIA shall be active for a period of one year from date of the signed agreement unless alternative terms have been agreed to in writing. All DIAs will be reviewed with the Buyer at the conclusion of the agreement period. Buyer agrees to take possession and ownership of all inventories if terms and conditions of the DIA are triggered by Buyer actions or inactions, including but not limited to discontinued use of the Product on the part of the Buyer. Products held by AHC on the behalf of the Buyer are subject to a price changes arising during the normal course of business, and are subject to AHC price adjustments, manufacturer/supplier price adjustments, and applied surcharges. Scheduled releases may be subject to limitations (i.e. minimum quantities), and frequency of releases. AHC reserves the right to ship all inventory held in its or manufacturer/supplier's possession at or after the expiration date of the DIA.
- 3.F Product Availability and Lead Time** AHC strives to present Product availability and lead time information that is accurate and best represents current and future conditions. As AHC is a distributor and not the manufacturer, AHC is reliant upon the accuracy of the Product availability and lead time information offered by its supplier/manufacturer partners. As Product availability is dynamic and changeable over time, Product availability and/or lead time may vary significantly between the time of quotation and the time of order. Critical Product availability or lead time(s) should be

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confirmed at the time of order. Product availability is at all times, subject to prior sale. Actual Product availability and/or lead time is reflected in the AHC order acknowledgement.

- 3.G Estimated Lead Times and Shipping Dates** Shipping dates are approximations and are based on conditions at the time of quotation and/or sale. AHC will make every effort to meet Buyer's requested delivery date; however AHC will not assume responsibility for expedited shipping fees for delays beyond AHC's control.
- 3.H Force Majeure (Delays)** AHC shall not be liable for any failure or delay in manufacture, shipment or delivery of products resulting from any cause beyond AHC'S control, including, but not limited to, provisions of law or governmental regulations, accident, explosion, fire, windstorm, flood or other casualty, strike, lockout, or other labor difficulty, riot, war, terrorist acts, insurrection, shortage of or inability to secure labor, raw materials, production or transportation facilities. In the event of such delay, there will be no termination and the date of delivery shall be extended for a period equal to the time lost by reason of the delay.
- 3.I Same Day shipping** AHC is committed to shipping all materials held in Airline's inventory the same day the order is received and approved. There are circumstances which may prevent the same day shipment of stock items including but not limited to error with Buyer's purchase order, issue with Buyer's credit status, problem encountered with Buyer's credit card, time of day order is received, size of the order including the number of order lines and the total quantities. Orders requiring special handling, packaging/crating, or documentation are not eligible for same day shipment. Purchase orders received and processed before 3:30PM will be eligible for same day shipment. AHC offers no guarantee same day shipments via standard ground transportation service will be delivered the following day. To assure next day delivery, the Buyer must authorize and incur the cost of the appropriate delivery service.
- 4.A Specifications** Specifications and instructions are in accordance with directions of Buyer and full responsibility for their correctness is assumed by Buyer.
- 4.B Fabrication and Assembly** In the event that the sale involves the fabrication or assembly of any Products by AHC, the specifications for such fabrication or assembly shall be the sole responsibility of the Buyer. Signed drawings represent Buyer's approval and authorization for AHC to proceed with fabrication or assembly.
- 4.C Ownership of Design** Unless expressly agreed to in the purchase order that customer owns the design, Buyer agrees that AHC has all right, title, and ownership of any and all engineering and/or design work performed by AHC relative to products or systems ordered on the purchase order.
- 4.D Product Certification(s) / Document Requests** All requests for Product Certification must accompany Buyer's purchase order and may be subject to applicable fees and charges. In most instances, AHC must obtain the Product Certification(s) and documentation from the manufacturer or supplier of the Product. AHC reserves the right to decline any request received after the purchase order has been processed, acknowledged or materials have shipped. Requests for Product Certifications/documentation received after the quote has been presented to the buyer could result in changes to Product price or delivery costs.
- 4.E Product Compliance and Suitability** Governmental Jurisdictions have varying laws, codes and regulations governing construction, installation, and/or use of certain products for a particular purpose. Certain products may not be available for sale in all areas. AHC does not guarantee compliance or suitability of the products it sells with any laws, codes or

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regulations of the delivery jurisdiction, nor does AHC accept responsibility for construction, installation and/or use of a product in such final jurisdiction. It is Buyer's responsibility to review the product application and all applicable laws, codes and regulations for each relevant jurisdiction to be sure that the construction, installation, and/or use involving the products are compliant with all applicable laws.

- 4.F Software Purchases** Buyer may order software from or through AHC. Software may be provided by third parties, including the support and maintenance related to the software. All such software and related services are offered by AHC as a distributor or sales agent. The software is provided under the terms of the license agreement associated with the purchased software such as any end user license agreement contained within the packaging of any software or end user license agreement ("EULA") and is between the Buyer and such third party licensor. Buyer is required to accept the EULA before downloading any software or before using any software delivered on physical media. If no such EULA is attached, the software is provided "AS IS." Buyer agrees to comply with the terms of such EULA with respect to the software. With respect to such software, Buyer shall consider the third party to be the contracting party and such terms shall only be between Buyer and such third party. Buyer shall solely look to such third party with respect to such software. AHC is not liable for any losses or damages which may occur from the use of any such software and the Buyer hereby releases AHC from any and all claims arising from or related to the purchase or provision of such software. Notwithstanding the terms herein, software is licensed, and not sold. BY PLACING AN ORDER FOR SOFTWARE, CUSTOMER AGREES TO USE SUCH SOFTWARE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE APPLICABLE EULA FOR THAT SOFTWARE. Software cannot be returned without prior approval from AHC and the third party software licensor.
- 4.G Cross Reference Information** Product cross-reference comparisons or product alternatives that are presented do not imply that products are available or perfectly comparable. CROSS-REFERENCED PRODUCTS OR PRODUCT ALTERNATIVES ARE NOT REPRESENTED OR WARRANTED AS FUNCTIONAL OR PERFORMANCE EQUIVALENTS. Buyer shall review all cross-referenced product or product alternative specifications prior to purchase and use to determine suitability of the product for Buyer's intended use.
- 4.H Catalog and Website Information** AHC makes every effort to ensure the accuracy of the information published in the AHC catalog(s), however AHC makes no representations about the information presented, which is offered "as is" without warranty of any kind. AHC is a distributor of products. Information about the products in AHC catalog's or web sites is provided by the manufacturers and/or suppliers. Product depictions in the catalogs and websites are for illustrative purposes only. Product specifications are subject to change at any time without prior notice. Possession of, or access to, any AHC catalog(s), literature or websites does not constitute the right to purchase products. AHC reserves the right to revise publishing errors in its catalogs or any of its websites. Despite AHC's best efforts, occasional pricing errors may occur in the AHC catalogs and websites, and AHC reserves the right to correct or change such pricing errors without notice. AHC further reserves the right to cancel any and all orders resulting from such pricing errors, even if Buyer has received an order confirmation from AHC.
- 4.I Product Configuration and Sizing Programs** Product Configuration and Sizing Programs and tools are offered by AHC to customers as an accommodation and convenience. The customer accepts all responsibility for the proper use of these programs. AHC accepts no responsibility for the correctness or accuracy of the configurator or sizing program

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outputs.

- 4.J Website Resource Center** The resource center on the Airline website is offered to visitors as an accommodation and convenience. AHC does not guarantee the information or recommendation(s) provided is accurate, complete, or correct, and AHC shall have no responsibility or liability whatsoever in connection with any information or recommendation(s) provided, or the individual's reliance on such information or recommendation(s). The user of this information or recommendation(s) is solely responsible for analyzing and determining the appropriateness of any information or recommendation(s). Any reliance on such information or recommendation(s) is at the user's sole risk and discretion. Accordingly, the customer shall release and hold AHC harmless from and against any and all loss, liability, and damage incurred by the user or any third party as a result of any information or recommendation(s) provided to the user or the user's reliance on such information and recommendation(s).
- 4.K Technical Assistance and Design Support Services** AHC offers its technical assistance and design support services as an accommodation and convenience to AHC customers and prospective customers. AHC does not guarantee the information or recommendation(s) provided is accurate, complete, or correct, and AHC shall have no responsibility or liability whatsoever in connection with any information or recommendation(s) provided, or the individual's reliance on such information or recommendation(s). The user of this information or recommendation(s) is solely responsible for analyzing and determining the appropriateness of any information or recommendation(s). Any reliance on such information or recommendation(s) is at the user's sole risk and discretion. Accordingly, the customer shall release and hold AHC harmless from and against any and all loss, liability, and damage incurred by the user or any third party as a result of any information or recommendation(s) provided to the user or the user's reliance on such information and recommendation(s).
- 4.L Statements of Advice** If statements or advice (technical or otherwise, and whether or not provided by AHC's technical support group) are offered or given to Buyer, such statements of advice will be deemed to be given as an accommodation to Buyer and without charge, and AHC will have no responsibilities or liabilities whatsoever for the content or use of such statements or advice.
- 4.M Confidential and Proprietary Information** AHC and Buyer hereby acknowledge that each may have access to confidential/proprietary information and trade secrets of the other party hereto. Therefore, AHC and Buyer covenant that, without the prior written consent of the other party, they shall not utilize or disclose any confidential/proprietary information or trade secrets disclosed to them by the other party, except in connection with their respective obligations under this agreement. The above nondisclosure restriction shall not apply to any information that (i) can be demonstrated by competent proof to have been known by the recipient at the time of receipt and reduced to writing; (ii) was subsequently otherwise legally acquired by such party from a third person having an independent right to disclose the information; (iii) is now, or later becomes, publicly known without breach of this agreement by either party; or (v) is required to be disclosed pursuant to applicable law or legal process. Further, the parties covenant that, without the prior written consent of the other party, they shall not disclose any information relating to the terms of this agreement to any person other than the parties' agents, employees and representatives.

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- 5.A Returned Goods Policy** No Products will be accepted for return without an AHC approved Return Goods Authorization ("RGA"). All returns due to Buyer's error are subject to a processing fee and restocking fee. Special orders, assemblies, kits, value-add, modified products, software, and materials deemed by manufacturer or supplier to be non-cancelable and non-returnable cannot be returned to AHC. Returns must be initiated within ninety (90) days after receipt of product. Buyer has no recourse to return products to AHC beyond ninety (90) days. Products are to be returned at Buyer's expense, and shipped, FOB destination. Carton must be marked with the RGA number, and contain all required documentation and accessories. AHC assumes no responsibility for products damaged or lost during shipment. Receipt of returned product to an AHC facility does not constitute approval of the Buyer's return. Upon receipt, all returned products will undergo a thorough inspection and testing (if required) process, prior to any approval or rejection of the Buyer's return. A returned product(s) may be rejected for any number of causes including but not limited to, product not returned "like new", in original, unmarked, properly labeled carton or packaging, product labeling not visible or removed, improper storage, compromised shelf life, appearance of usage or wear, appearance of tampering or unauthorized repair, or other evidence of deficiency. AHC reserves the right to reject for return any product that cannot be returned by AHC to the manufacturer or supplier.
- 5.C Customer Certification** A customer returning a product to AHC certifies the product is authentic, and was purchased from AHC, and there has been no substitution in whole or part of the same product from another supplier, distributor or other such source of product.
- 5.D Credit for Approved Returns** If approved for credit, Buyer will receive agreed upon credit for approved returns to be applied against future purchases from AHC.
- 5.E Return of Items Classified as Dangerous Goods** Buyer shall ensure all shipments that contain items that are classified as dangerous goods or hazardous material under the U.S. Department of Transportation concerning the Code of Federal Regulations Title 49 (49 CFR) or International Air Transport Association Dangerous Goods Regulations and all other standard shipping restrictions and guidelines are followed when returning products back to AHC. Failure to do so will result in a direct violation of US/IATA regulations and could result in additional fines, penalties and/or fees. Examples of such items considered dangerous goods or hazardous materials include but are not limited to: lithium batteries, magnetized material, flammable liquids and pressurized gases. Shipments that contain items with special shipping restrictions imposed by the U.S. Department of Transportation should not be returned to AHC using any type of service other than ground carrier.
- 5.F Exclusion of Warranties-Merchantability** AHC warrants that for a period of ninety (90) days from the date of the invoice or the delivery of the products or services, whichever is sooner, the products and/or services covered hereby conform to the description and specifications accepted by Buyer with respect to the products and/or services, if any; provided, however, product dimensions and/or quantities are subject to change. THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, ARE EXCLUDED FROM THIS TRANSACTION AND SHALL NOT APPLY TO THE PRODUCTS SOLD.
- 5.G Liability** AHC shall not be liable for incidental or consequential damages directly or indirectly arising or resulting from the breach of any of the terms OF THESE TERMS AND CONDITIONS or from the sale, handling or use of the products sold or services rendered. AHC's liability hereunder, for breach of warranty, negligence or otherwise, is expressly limited at the option of AHC: (a) to the replacement at the agreed point of delivery of any products found to be defective



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or not conforming to the specifications set forth in the order, (b) to the repair of such products, or (c) to the refund or crediting to buyer of the price of such products. Since AHC cannot control the manner or use of Products after their sale, AHC will not be responsible for any direct, consequential, or indirect damages to the purchaser or any third party or ultimate user of the products.

- 5.H Limits of Liability** No claim made hereunder by the Buyer, whether as to goods and services delivered or for non-delivery, shall be greater than the purchase price of the goods or services in respect of which such claim is made, and AHC shall under no circumstances be liable for consequential damages.
- 5.I Limitation of Use** Unless specifically acknowledged and agreed in writing by a duly authorized officer of AHC, Products sold hereunder are not recommended or authorized for use in life support, surgical implantation, aircraft, a nuclear facility, or any other hazardous activity, including without limitation, military, aerospace, missile or other critical application, and for any use or application in which the failure of a single component could cause substantial harm to persons or property. Buyer agrees to indemnify and hold AHC harmless from any liability that results from Buyer's use that is inconsistent with this paragraph.
- 5.J Warranty** AHC is a distributor and assembler, and not a manufacturer of products. Accordingly, any warranty of quality, merchantability or fitness for a particular purpose is that of the manufacturer only and not that of AHC. AHC will warrant its labor for twelve (12) months from date of shipment. AHC agrees to use commercially reasonable efforts to cause its manufacturers to furnish products that will be free from defects in material and workmanship, will be free from patent infringement, and will be merchantable. Should the product fail to meet any manufacturer's warranty, then upon notification thereof and substantiation that the product has been stored, installed, maintained and operated in accordance with manufacturer's recommendations and standard industry practice, AHC shall assist buyer in obtaining suitable repair or replacement, or other remedy, as provided in the applicable manufacturer's warranty. There will be no acceptance of any charges for labor and/or parts incidental to the removal and remounting of products repaired or replaced under the manufacturer's warranty.
- 6.A Compliance with Laws** AHC warrants that it has complied, and will continue during the performance of this order to comply, with the provisions of all applicable federal, state, and local laws and regulations from which liability may accrue to Buyer as a result of any violation thereof by AHC. AHC warrants compliance with the Fair Labor Standards Act and the Equal Employment Opportunity Act, as amended, in its performance pursuant to the order. Compliance with any federal, state or local procurement regulations, laws, or contract provisions in any form of government contracting by Buyer, shall be solely the responsibility of the Buyer.
- 6.B Environmental and Safety** AHC provides Material Safety Data Sheets (MSDS) that are prepared by the applicable Product manufacturer. MSDS are not prepared by AHC. Current MSDS will be provided to Buyer in connection with a purchase of a Product when required by law or regulation. Certain types of Products may contain Volatile Organic Compounds, Ozone Depleting Substances, Mercury, or other chemicals subject to restrictions by state and/or federal law and regulation. AHC does not guarantee that any Product is in compliance with such restrictive state and/or federal law and regulation, and assumes no responsibility for how Products containing such restricted substances shall be used, installed or resold by Buyer. Buyer assumes sole responsibility for compliance with all applicable state and/or federal law and regulation concerning such affected products. AHC will cooperate with Buyer with respect to the handling, shipping or other disposition of affected

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products. Carrier surcharges may also apply. Buyer agrees to pay for and is responsible for all shipping, handling, labeling, and packaging charges associated with the shipping of hazardous materials. AHC is not responsible for, nor is it to be considered the "offeror" for, any further shipment or trans-shipment made by or on behalf of Buyer by any mode of transportation. Buyer assumes full responsibility for compliance with all state and/or federal rules and regulations governing the Product's further transportation by ground, air or water in domestic and/or international commerce.

**6.C Export Control**

AHC is committed to compliance with all United States of America ("U.S.") Export Regulations and Laws in effect at any given time. AHC will not sell or ship to countries embargoed by the U.S. Treasury Office of Foreign Asset Control ("OFAC") or any other Federal Regulatory authority responsible for such controls and restrictions. AHC will not sell or ship to individuals or organizations identified by the U.S. Treasury as Specially Designated Nationals and Blocked Persons. AHC will not sell or ship products prohibited under Export Administration Regulations ("EAR") or the International Traffic in Arms Regulations ("ITAR"), as amended or supplemented, to individuals or organizations identified by the U.S. Department of Commerce, Bureau of Industry and Security ("BIS") or by the U.S. Department of State, Directorate of Defense Trade Controls ("DDTC"). Furthermore, AHC prohibits the re-export, brokering or transshipment of its products to any individual, organization or country prohibited by the OFAC, BIS, or DDTC. Products purchased are subject to export control laws, restrictions, regulations and orders of the United States and may be subject to the export and/or import control laws and regulations of other countries. Acceptance of export orders is not valid unless confirmed in writing by AHC. Buyer agrees to comply with all applicable export laws, restrictions and regulations of the United States or foreign agencies or authorities, and shall not export, or transfer for the purpose of re-export, any product to any prohibited or embargoed country or to any denied, blocked, or designated person or entity as mentioned in any such United States or foreign law or regulation. Buyer represents and warrants that it is not on the Denied Persons, Specially Designated Nationals or Debarred Persons List and is not otherwise prohibited by law from purchasing the Products or services hereunder. Buyer, not AHC, shall be responsible for obtaining any required license to export, re-export or import the subject Product. Buyer shall not name AHC as shipper or exporter of record in connection with the export of any Products purchased from AHC. Any use made of AHC classifications, whether it is Export Control Classification Numbers ("ECCNs") or any variation of Harmonized Tariff codes, is without recourse to AHC and at Buyer's risk. Export classifications are subject to change. If you export or re-export, Buyer, as the exporter of record, is responsible for determining the correct classification of any item at the time of export. Any export classification by AHC is for AHC's internal use only and shall not be construed as a representation or warranty regarding the proper export classification nor relied upon to make licensing determinations.

**6.D Export Orders**

The ability to export certain products may be contingent on approval by the United States Government and AHC cannot guarantee such approval. All taxes, duties, insurance, shipping charges, and other international charges and fees are the responsibility of the Buyer. Buyer is responsible to retain the services of freight forwarder. AHC will arrange shipment to Buyer's contracted freight forwarder, and will not be responsible for the adherence to export laws and regulations, required documentation, and required packaging or crating. Any damage, loss or missing pieces discovered after the freight forwarder has signed for the packages must be reported within 48 hours of the package being signed for by the freight forwarder. After 48 hours, AHC will no longer be responsible for any damage, loss or missing pieces that occurs to goods after they are delivered to the freight forwarder, and will not provide a replacement of, or refund for, any

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goods delivered to a freight forwarder. Freight forwarder should be instructed to inspect all packages before signing and to refuse any packages that arrive damaged. Any items lost or damaged once the freight forwarder has taken possession of the package(s) will be the responsibility of the Buyer. All stated prices, and conducted transactions are in US dollar currency. Terms for payment on export orders are cash in advance of any shipments. Wire transfers are the preferred means for initiating payments to AHC. Credit cards are not accepted for international orders.

- 6.E Dispute Resolution** Any dispute regarding this transaction between AHC and Buyer, including any matters or disputes relating to or arising from the purchase or use of any product, service, or information offered or made available through AHC, or arising from or relating to any communication between AHC and Buyer or its agents, will be resolved by binding arbitration, rather than in court, and solely on an individual basis and not in a class, consolidated or representative action, except that Buyer may assert claims in small claims court if Buyer's claims qualify. Buyer acknowledges and agrees that it is waiving the right to sue or go to court to secure relief. The Federal Arbitration Act and federal arbitration law shall apply to all disputes between AHC and Buyer, including any disputes relating to or arising from any purchases made by Buyer. Any arbitration proceeding must be conducted in Montgomery County, Pennsylvania. AHC and Buyer both agree, however, that either party may bring a lawsuit in Federal Court to enjoin infringement or other misuse of intellectual property rights.
- 6.F Modification** Unless Buyer and AHC have specifically executed a supply agreement for the purchase and sale of Products, there are no terms, conditions, understandings or agreements between Buyer and AHC other than those stated herein and all prior proposals and negotiations are merged herein. No terms and conditions in any way altering or modifying the provisions hereof shall be binding upon either party unless in writing and signed by an authorized representative of such party. No modification or alteration of the provisions hereof shall result from AHC's shipment of material following receipt of buyer's purchase order, shipping order, or other forms containing provisions, terms and conditions in addition to or in conflict or inconsistent with the provisions hereof.
- 6.G Relationship Between Parties** The relationship between the parties hereto is that of independent contractors. Nothing in an order shall be construed as creating any partnership, joint venture, or agency between the parties.
- 6.H Indemnity and Hold Harmless** To the fullest extent permitted by law, the Buyer agrees to indemnify, hold harmless and defend AHC, and its agents, employees, representatives, officers, directors, stockholders, members, managers and parent, subsidiary and affiliated companies (the "Indemnified Parties") from and against any claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the performance of work, whether performed at the Buyer's site or not, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or injury to or destruction of tangible property (other than the work itself) including loss of use resulting there from, but only to the extent caused in whole or in part by negligent acts or omissions of the Buyer, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.
- 6.I Governing Law** AHC and Buyer agree that the transaction and this agreement shall be governed and interpreted by laws of the Commonwealth of Pennsylvania. The provisions of the United Nations Convention on Contracts for the international sales of goods

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shall not apply. Jurisdiction of actions to enforce copyright and patent violations shall be conducted solely in the United States District Court for the Eastern District of Pennsylvania.

- 6.J Assignment** AHC shall be entitled, without the consent of or notice to Buyer, to assign or subcontract any of its obligations or rights hereunder, including with respect to the sale of products, performance of services or the right to receive payment. Buyer may not assign this agreement or purchase order without prior written consent of AHC.
- 6.K Severability** The sections of this agreement are severable, and in the event any section or portion of the agreement shall be declared illegal or unenforceable, the remainder of the agreement shall be effective and binding on AHC and Buyer.
- 6.L Waiver** Failure on the part of AHC to insist on performance of any of the terms or conditions herein or to exercise any right or privilege, or AHC's waiver of any breach hereunder shall not constitute a waiver of any other terms, conditions, privileges or rights, whether of the same or similar type.
- 6.M Entire Agreement** This document shall constitute the entire and complete agreement between AHC and Buyer with respect to all matters contained herein, and they supersede all previous drafts, inquiries, offers, correspondence and the like between the parties with respect to the subject matters hereof.