

TERMS AND CONDITIONS OF SALE

CHUROD AMERICAS, INC.

These terms and conditions of sale (these “*Terms*”) exclusively govern the sale of the goods and/or services (collectively, the “*Goods*”) by **Churod Americas, Inc.**, with an address located at 485 Devon Park Drive, Suite 118, Wayne, PA 19087 (together with its affiliates, collectively, the “*Seller*”), to the undersigned buyer of the Goods (“*Buyer*”). Notwithstanding anything herein to the contrary, if a written contract signed by both parties is executed covering the sale of the Goods covered hereby, the terms and conditions of said contract shall control to the extent they are inconsistent with these Terms.

1. Entire Agreement. The accompanying quotation and invoice (the “*Sales Confirmation*” and together with these Terms, collectively, this “*Agreement*”) comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer’s general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfillment of Buyer’s order does not constitute acceptance of any of Buyer’s terms and conditions and does not serve to modify or amend these Terms.
2. Changes. Changes in specifications, drawings, or quantity of an order (a “*Change Order*”) by Buyer are subject to acceptance by Seller, and Seller shall be reimbursed for all costs and materials which cannot be used due to a Change Order. A Change Order will be considered a new order and priced at an amount as determined by Seller. No credit or changes of invoices for items shipped prior to receipt of a Change Order are permitted. A decrease in the quantity of an order will subject to price changes in the sole discretion of Seller. Goods shipped prior to an accepted Change Order may be subject to additional costs for the difference in quantity pricing. Cancelled orders are subject to cancellation charges. Buyer may not make any Change Orders inside of applicable lead times without the written consent of Seller.
3. Price and Payment. Prices quoted by Seller are subject to change at any time without prior notification, and, unless stated otherwise, shall remain valid for thirty (30) days from the date of quotation. Buyer shall pay all sales, use, excise or similar taxes whenever Seller must itself pay and/or collect the tax from Buyer arising out of the sale. Quoted prices do not include all applicable shipping or transportations costs, or tariffs or other government-imposed fees; therefore, those fees shall be charged in addition to the quoted price and will be billed as a separate line item on Buyer’s invoice. Payment of invoices are due on the thirtieth (30th) day following the date of the invoice, except as stated on the Sales Confirmation or otherwise set forth in writing by Seller. If Buyer is not approved as an authorized buyer due to its credit, such Buyer shall pre-pay all orders, unless otherwise agreed by Seller in writing.
4. Cancellation. Seller reserves the right to suspend or cancel any shipment of Goods or modify the terms of payment for issues with a Buyer’s credit. Any legal and/or debt collection fees incurred as the result of late or non-payment shall be the sole responsibility and expense of Buyer (including reasonable attorneys’ fees), and will be billed accordingly. An interest charge of one and half (1.5%) percent will be added to overdue balances in addition to other applicable late fees.
5. Shipment, Title, and Risk of Loss. All orders will be shipped and priced as Ex-Works Dongguan, China unless otherwise agreed to in writing by Seller. Risk of loss shall pass to Buyer at the time of shipment. Title of the Goods shall pass to Buyer upon full payment and satisfaction of all applicable invoices by Buyer. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title

and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. Delivery dates given in the acceptance of any order are approximate.

6. Acceptance and Returns. All orders for Goods are subject to acceptance by Seller. An acceptance by Buyer of any Goods, ordered either in writing or verbally, shall constitute an acceptance of these Terms. Buyer shall inspect the Goods promptly upon receipt and notify Seller in writing, within thirty (30) days after its receipt of any Goods that are nonconforming, or such order will be deemed as accepted. The notice must include a description of the nonconformity and provide all commercially reasonable details. Acceptance of an order shall constitute Buyer's acknowledgment of Seller's full performance of its obligations under this Agreement. No order delivered and accepted under this Agreement is eligible for return except upon written approval of Seller. Seller will not accept return of any Goods without such a written notice and the issuance by Seller of a Return Authorization number. All claims for shortages in quantity of Goods or incorrect Goods must be made in writing to Seller, within ten (10) days of receipt of such shipment. Return of incorrectly shipped items must also receive a Return Authorization number from Seller.
7. Insurance. During the term of this Agreement, Buyer shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum no less than \$1,000,000 with financially sound and reputable insurers. Upon Seller's request, Buyer shall provide Seller with a certificate of insurance from Buyer's insurer evidencing the insurance coverage specified in these Terms. Buyer shall provide Seller with thirty (30) days' advance written notice in the event of a cancellation or material change in Buyer's insurance policy. Except where prohibited by law, Buyer shall require its insurer to waive all rights of subrogation against Seller's insurers and Seller.
8. Confidential Information. All non-public, confidential or proprietary information of Seller, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, including this Agreement, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing a purchase under this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.
9. Intellectual Property. Buyer acknowledges and agrees that: (a) except to the extent provided in a separate written agreement between Buyer and Seller, Seller (or its licensors) will retain all Intellectual Property Rights (as defined below) used to create, embodied in, used in and otherwise relating to the Goods and any of their component parts; (b) any and all of Seller's Intellectual Property Rights are the sole and exclusive property of Seller or its licensors; (c) Buyer shall not acquire any ownership interest in any of Seller's Intellectual Property Rights under this Agreement; (d) any goodwill derived from the use by Buyer of Seller's Intellectual Property Rights inures to the benefit of Seller or its licensors, as the case may be; and (e) Seller does not grant any licenses and/or rights for using and/or transferring any patents, trademarks, works of authorship or design, rights of use, brands, samples, software, copyrights, data, trade secrets, and any other intellectual property or any other property rights (collectively, "**Intellectual Property Rights**") under this

Agreement. Buyer is not entitled to file any application for Intellectual Property Rights with and/or on the basis of any confidential information obtained as a result of its relationship with Seller.

10. Warranty.

(a) Seller warrants that the Goods are free from defects in workmanship and material for a period of one (1) year (“*Warranty Period*”) from the date of shipment to Buyer, provided that Buyer buys the Goods directly from Seller (the “*Warranty*”).

(b) Seller specifically warrants during the Warranty Period that the Goods will comply with and be suited for the applications within the technical parameters and specifications outlined and listed in the applicable data sheets for the Goods published by Seller or otherwise made available by Seller to Buyer. Technical parameters include, but are not limited to, regulatory load ratings, cycles, and temperature at which the load was tested. Seller will not be liable for any misuse, improper operations, improper installation, improper maintenance, alteration, modification, accident or unusual degradation of the product or parts due to an unsuitable installation environment. No representation or other affirmation of facts including, but not limited to, statements regarding capacity, suitability for use or performance of the product, shall be considered as a warranty or representation by Seller for any purpose, nor shall it give rise to any liability or obligation of Seller whatsoever. Buyer’s sole and exclusive remedy in the event of a breach of this Warranty is expressly limited to the correction of the defect by adjustment, repair, modification, or replacement. Notice of any alleged defect during the Warranty Period must be delivered to Seller by Buyer within thirty (30) days of first occurrence of such defect for this Warranty to apply.

(c) EXCEPT AS SPECIFICALLY PROVIDED IN THIS SECTION 10, SELLER GIVES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

(d) THIS WARRANTY EXTENDS ONLY TO THOSE GOODS WHICH ARE PURCHASED BY BUYER DIRECTLY FROM SELLER.

11. Indemnification. Subject to the terms and conditions of this Agreement, Buyer shall indemnify, hold harmless, and defend Seller and its parent, officers, directors, partners, members, shareholders, employees, agents, affiliates, successors, and permitted assigns (collectively, “**Indemnified Party**”) against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees, fees, and the costs of enforcing any right to indemnification under this Agreement and the cost of pursuing any insurance providers, relating to any claim of a third party or Seller arising out of or occurring in connection with: (i) Buyer’s acts or omissions or willful misconduct, including breach of this Agreement; (ii) any failure by Buyer or its personnel to comply with any applicable laws; or (iii) allegations that Buyer breached its agreement with a third party as a result of or in connection with entering into, performing under or terminating this Agreement.

12. Limitation of Liability. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT, OR FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. IN NO EVENT SHALL

SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS SOLD HEREUNDER OR ANY APPLICABLE PURCHASE ORDER DURING THE TWELVE (12) MONTH PERIOD PRECEDING ANY SUCH CLAIM.

13. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under this Agreement; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors. Seller may also terminate this agreement for any reason by providing Buyer with thirty (30) days prior written notice. These Terms shall automatically terminate one (1) year after the last shipment under any applicable purchase order.
14. Minimum Orders and Charge-Backs. Seller may accept, in a separate written agreement, annual purchase agreements for both individual and combined quantities of its Goods, subject to certain minimum quantities, whereby a quantity discount may be applicable in Seller's sole discretion. Seller reserves the right to charge-back any quantity discount should Buyer fail to timely purchase and accept the quantities as specified on such annual purchase agreement.
15. Force Majeure. Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, pandemic, epidemic, lockouts, strikes or other labor disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.
16. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement, including without limitation a change of control of Buyer, without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.
17. Governing Law. All matters arising out of or relating to this Agreement is governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Pennsylvania or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the Commonwealth of Pennsylvania. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the Commonwealth of Pennsylvania, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.
18. Notices. All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Confirmation or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission)

or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

19. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, the following provisions: Price and Payment, Shipment, Title, and Risk of Loss, Insurance, Confidential Information, Intellectual Property, Warranty, Indemnification, Limitation of Liability, Assignment, Governing Law, Notices, Survival, and Amendments.
20. Amendments. No amendment, change, or waiver of any of these Terms shall be effective unless signed in writing by Seller.

CHUROD AMERICAS, INC.	BUYER:
_____	_____
Name: Todd J. La Londe	Name:
Title: Director	Title:
Date:	Date: