

# TERMS & CONDITIONS AGREEMENT

**GENERAL** The following terms and conditions shall constitute the entire Agreement by the Seller for the purchase and sale of A & C Consulting & Manufacturing products. Any terms and conditions contained in the Purchaser's purchase order that are different from, in addition to, or vary from A & C Consulting & Manufacturing terms & conditions shall not be binding, and are hereby excluded.

**AGREEMENT** Orders are subject to acceptance in writing by A & C Consulting & Manufacturing hereinafter referred to as the "Seller" at its Burlingame, California office.

**WARRANTY** The Seller warrants its products against defects in materials and workmanship for one year from date of shipment. The Seller's warranty will be limited to (at Seller's option) refund of the Seller's selling price, or repair or replacement of the product or part proven to be materially defective when used for the purpose for which it was intended. The Seller shall be liable for no other warranties, oral, written, express or implied. The Seller's warranty obligations and remedies hereunder are solely and exclusively as stated herein. In no event shall the Seller be liable either to customers for incidental or consequential damages or for personal injury or property damages resulting from the use of the products sold. The undertaking of repairs or replacement by Purchaser or its agents without the Seller's written consent shall relieve the Seller of all responsibility herewith.

**FORCE MAJEURE** The Seller shall endeavor to ship products specified in any acceptance order, but the Seller shall not be considered in default of its obligations hereunder if such performance is presented or delayed because of unavailability of materials, equipment, labor or technical personnel, war, labor strikes, riots, hostilities, fires, accidents, shutdowns of its manufacturing plants or plants supplying it, embargos or inability to secure transportation; or because any law, order, proclamation, regulation or ordinance, of any government; or because of acts of God or for any other cause beyond the reasonable control of the Seller.

**DELIVERY** Unless otherwise specified in writing, delivery will be FOB, Burlingame.

**PRICES & DESIGNS** Prices and designs are subject to change without notice.

**LIMITATION OF LIABILITY** No claims made by the Purchaser whether as to goods delivered or for non-delivery of goods shall be greater than the purchase price of the goods. Under no circumstances shall the Seller be liable for consequential damages.

**TAXES** All applicable federal, state or local sales, use or excise taxes are the responsibility of the Purchaser, and are in addition to prices printed or stated. The Seller shall have the right to invoice separately any such tax as may be imposed at a later date. Applicable tax exemption certificates must accompany any order to which same applies.

**RETURN OF GOODS** The Seller will not accept return of any product unless a returned goods authorization number has first been obtained from the Seller in which case, credit will be issued after inspection and fulfillment of the following criteria:

1. All goods must be returned prepaid freight and in original condition, if not, credit will not be issued and goods will be returned to Purchaser at Purchaser's expense.
2. A stocking and handling charge of 20% will be imposed on all returned goods.
3. Transportation charges on all returned goods are to be paid by Purchaser in all cases.

**CANCELLATION** A purchase order or any part thereof which is accepted by the Seller may not be cancelled unless, and until the Seller has deemed what action is necessary and advisable to minimize costs resulting from cancellation. Orders for non-customized goods that have already been shipped are subject to a 20% handling and restocking charge.

**TERMS OF PAYMENT** U.S. terms of payment are 1% ten, net 30 upon credit approval. The seller reserves the right to defer shipment until receipt of cash. in the Seller's judgement, the Purchaser's financial condition becomes unsatisfactory. A service charge of 1 1/2% per month will be charged on all accounts that exceed 60 days from date of invoice. The Seller reserves the right to alter the payment terms.

**PARTIAL INVALIDITY** If any provision of this Agreement is or becomes unenforceable or invalid at any time under law, rule or regulation, no other provisions of this Agreement shall be affected thereby and remaining provisions of this Agreement shall continue in force as if such unenforceable or invalid provision did exist.

**GOVERNING LAW** This Agreement shall be governed in all respects by the laws of California.

**ARBITRATION** All disputes between the Purchaser and Seller in relation with this Agreement shall be settled through negotiation. In the event where no settlement can be reached through negotiation, the dispute shall be submitted for Arbitration. The Arbitration shall take place in San Francisco, California USA. The decision of the Arbitration shall be accepted as final and binding upon both parties. Arbitration expenses shall be borne by the losing party. Arbitration shall be conducted by the American Arbitration Association pursuant to its rules and procedures unless otherwise agreed upon by the parties.