

# Terms & Conditions of Sale

## CENTURY SYSTEMS TERMS AND CONDITIONS OF SALE

Century Systems, Inc. is referred to in these Terms and Conditions ("Terms") as "Century," and the customer or person or entity purchasing goods or services (collectively referred to as "Goods") from Century are referred to as the "Buyer." Buyer acknowledges that by signing and returning these Terms to Century, these Terms, along with any attachment, price list, schedule, quotation, acknowledgment, or invoice from Century relevant to the sale of the Goods (collectively, "Attachment"), and all documents incorporated by specific reference into these Terms or any Attachment, constitute the complete and exclusive statement of the terms of the agreement governing all sales of Goods by Century to Buyer ("Agreement"), regardless of whether or not Buyer or Century expressly make reference to these Terms in any documentation related to any such sale. Century hereby objects to and rejects any terms in Buyer's purchase order or other Buyer documents that are different than or in addition to these Terms, and such terms shall not constitute any part of the agreement between Buyer and Century. Any Attachment is incorporated herein by reference. Century reserves the right in its sole discretion to refuse orders.

1. Prices. Unless a fixed price is quoted on an Acknowledgment of Order or other document from Century representing a specific order, prices are subject to change without notice; and the prices invoiced will be those in effect at the time of shipment.

2. Taxes. Any current or future tax or any change of any nature imposed by any governmental or taxing authority that is or becomes payable by reason of the production, transportation, sale, storage, processing, use, consumption, or delivery of any of the Goods sold to Buyer, other than taxes based on Century's net income or profit, will be for Buyer's account and if paid by or levied or assessed against Century will either be added to the price of the Goods or billed to Buyer separately as Century may elect.

3. Terms of Payment. Upon establishing credit through the provision of credit references, a copy of the buyer's resale certificate must be filed at Century. Unless otherwise specified by Century, terms are net thirty (30) days from the date of Century's invoice in U.S. currency. Century has the right, among other remedies, either to terminate this Agreement or to suspend further performance under this and/or other agreements with Buyer in the event Buyer fails to make any payment when due, which other agreements Buyer and Century hereby amend accordingly, or if Century otherwise deems itself insecure. Buyer shall be liable for all expenses, including attorneys' fees, relating to the collection of past-due amounts. If any payment owed to Century is not paid when due, it shall bear interest at a rate to be determined by Century, which shall not exceed the maximum rate permitted by law, from the date on which it is due until it is paid. Should Buyer's financial responsibility become unsatisfactory to Century, cash payments or security satisfactory to Century may be required by Century for future deliveries and for the Goods delivered up to that point. If such cash payment or security is not provided, in addition to Century's other rights and remedies, Century may discontinue deliveries. Buyer hereby grants Century a security interest in all goods sold to Buyer by Century, which security interest shall continue until such Goods are fully paid for in cash; and Buyer, upon Century's demand, will execute and deliver to Century such instruments as Century requests to protect and perfect such security interest.

4. Shipment and Delivery. Unless otherwise expressly provided, shipments are made F.O.B. Century's plant of origin. Risk of loss or damage and responsibility shall pass from Century to Buyer upon delivery to and receipt by carriers. Any claims for shortages or damages suffered in transit are the responsibility of Buyer and shall be submitted by Buyer directly to the carrier. Shortages or damages must be acknowledged and signed for at the time of delivery. While Century will use reasonable commercial efforts to maintain the delivery date(s) acknowledged or quoted by Century, all shipping dates are approximate and not guaranteed. Century reserves the right to make partial shipments and to place certain orders on "back order." Century, at its option, shall not be bound to tender delivery of any Goods for which Buyer has not provided shipping instructions. If Century is to pay freight, Century shall have the right to designate routing and means of transportation; and if Buyer requires a more expensive routing and/or means, Buyer will pay any extra cost involved. If the shipment of the Goods is postponed or delayed by Buyer for any reason, Buyer agrees to reimburse Century for any handling and storage costs and other additional expenses

resulting there from. All claims for shipping errors, lost shipments, or any other discrepancies must be made within ninety (90) days or they will be disallowed and deemed waived.

5. Limited Warranty. Subject to the limitations of Sections 6, 7, and 8, Century warrants to Buyer and no others that the Goods purchased hereunder will be free from defects in material and workmanship under normal use for a period of six (6) months from the date the Goods are delivered to Buyer. This warranty will only apply to when such defect appears in the first six months after such Goods are delivered to Buyer and which Goods are returned and received by Century within seven months after such Goods are delivered to Buyer.

This warranty shall not apply to any Goods that:

- (a) Have been subjected by persons other than Century to improper handling, operation, maintenance, use, or alteration;
- (b) Have been subjected to misuse, negligence, or accident; or
- (c) Have not been stored in accordance with Century's recommendations.

Any claim made pursuant to this warranty shall be conditioned upon Century's inspection of the goods upon which the claim is made and Century's determination that there was a defect covered by this warranty. Century's obligation under this warranty, and Buyer's exclusive remedy for the breach thereof, shall be limited to, at Century's option, replacement of any allegedly defective Goods, issuance of credit, or return of the purchase price. Century requires the return of any allegedly defective Goods, in accordance with Century's directions, before honoring any claim. Goods replaced pursuant to this warranty shall be warranted to the same extent of the warranty applying to the original Goods. Any technical advice furnished before or after delivery in regard to the use or application of Century's products is furnished without charge and on the basis that it represents Century's best judgment under the circumstances but that such advice given or results obtained shall be deemed used at the recipient's sole risk. Goods purchased by Century from a third party for resale to Buyer shall carry only the warranty extended by the original manufacturer.

The warranty in this Section 5 constitutes Century's sole warranty responsibility and Buyer's exclusive remedy whether sounding in tort, contract, strict liability, or otherwise, except as otherwise expressly set forth in this Agreement. CENTURY MAKES NO WARRANTY OF MERCHANTABILITY AND NO WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSES, nor does it make any other warranty, express or implied, of any nature whatsoever with respect to goods sold by Century or the use thereof except as is specifically set forth herein even though Century may have been negligent. Except for the remedy provided for in this Section 5, Century shall in no event be liable for direct, indirect, special, incidental, consequential, or punitive damages of any character in connection with the sale, resale, license, or use of the Goods. Century makes no warranty of any kind, either express or implied, to "consumers" as that term is defined in Section 101 of Public Law 93.637, the Magnuson-Moss Warranty Federal Trade Commission Improvement Act.

6. Limitation of Remedy. The sole and exclusive remedy for breach of any warranty hereunder (other than the warranty provided under Section 8) shall be limited to repair, replacement, credit, or return of the purchase price as provided in Section 5.

7. Limitation of Liability. Century shall not be liable for damages caused by delay in performance, regardless of the form of the claim or cause of action (whether based in contract, infringement, negligence, strict liability, other tort, or otherwise), and in no event shall Century's liability to Buyer and/or its buyers exceed the price paid by Buyer for the specific goods or portion of the goods provided by Century giving rise to the claim or cause of action; and Buyer shall indemnify Century for any damages in excess thereof. Buyer agrees that, with the exception of the repair, replacement, credit, or return of the purchase price remedy under Section 5, in no event shall Century's liability to Buyer and/or its customers extend to include direct, indirect, special, incidental, consequential, or punitive damages, all of which are waived by Buyer and as to which Buyer shall indemnify Century.

The term "consequential damages" shall include, but not be limited to, fines, penalties, loss of anticipated profits, business interruption, loss of use of revenue, cost of capital, loss or damage to property or equipment, loss of reputation, or illness. Further, Buyer shall indemnify and hold Century harmless from any liability to Buyer, Buyer's employees, workers, contractors, or any other persons arising out of Buyer's, or any other person's, use of the Goods. It is further expected that all instructions and warnings supplied by Century will be passed on to those persons who

use the Goods. Century's Goods are to be used in their recommended applications and all warning labels adhered thereto.

8. Contingencies. Century shall not be held responsible for or be liable for any non-performance or any default or delay in performance if caused, directly or indirectly, by acts of God, war, fire, the elements, riot, civil commotion, strikes, lock-outs, slow downs, picketing, or other labor controversies, accidents, delay, or default of or failure by carriers, shortages of labor, delay in obtaining or inability to obtain materials, equipment, or parts from regular sources, action, request, or regulation of or by any government or governmental authority, failure of any party to perform any contract with Century, the performance of which is required for production of the Goods, or any other happening or contingency beyond Century's reasonable control, or without Century's fault, whether similar or dissimilar to the foregoing. Deliveries or other performance may be suspended for an appropriate period of time or canceled by Century upon notice to Buyer in the event of the foregoing, but the balance of this Agreement shall otherwise remain unaffected. If Century determines that its ability to supply the total demand for the Goods or to obtain material used directly or indirectly in the manufacture of the Goods is hindered, limited, or made impracticable due to causes set forth herein, Century may allocate its available supply of the Goods or such material (without obligation to acquire other supplies of any such Goods or materials) among itself and its purchasers on such basis as Century determines to be equitable without liability for any failure of performance that may result there from.

9. Cancellation. Buyer may cancel orders only upon reasonable advance written notice and upon payment to Century of Century's cancellation charges that include, among other things, all costs and expenses incurred to cover commitments made by Century and a reasonable profit. Century's determination of such termination charges shall be conclusive.

10. Assignment. Buyer shall not assign its rights or delegate its duties hereunder or any interest herein without the prior written consent of Century; and any such assignment, without such consent shall be void.

11. Examination - Suitability - Claims. Buyer agrees to examine and test each shipment of Goods promptly on arrival, before any part of the Goods (except for reasonable test quantities) has been changed from its original condition and in no event later than ten days from delivery of the Goods to Buyer. Century will not recognize any claims for any cause after the Goods have been treated, processed, or changed in any manner (except for reasonable test quantities). It is Buyer's responsibility to determine whether the goods are suitable for its contemplated use, whether or not such use is known to Century. Buyer shall deliver to Century, within twenty days from the date of delivery of the Goods, written notice of any deficiencies, defects, variations from specifications, or complaints of any kind with respect to the quantity, quality, condition, shipment, performance, price, or appearance of the Goods delivered by Buyer. If Century does not receive such notice within twenty days from the date of delivery of the Goods, Buyer shall be deemed conclusively to have inspected and accepted all such Goods unconditionally and to have waived any rights and claims, including without limitation any right to reject the Goods or to claim damages in respect thereof. Buyer may not return Goods without first advising Century of the reason therefore, obtaining from Century a return material authority (RMA) number, and observing such instructions as Century may give in authorizing such return.

12. Goods. The purchase of Goods from Century confers no license, express or implied, under any patents, copyrights, know-how, or technology, except, in the case of wholesalers for resale to their customers and for manufacturers for use in the products.

13. Orders. Orders are not binding on Century until accepted in writing by an authorized employee of one of Century's offices.

14. Documentation. Century shall provide Buyer with that data/documentation that is specifically identified in Century's quotation. If additional copies of data/documentation are to be provided by Century, it shall be provided to Buyer at Century's applicable prices then in effect.

15. Communication. Buyer consents to receive notices, announcements, brochures, advertisements, and other information sent by or on behalf of Century via facsimile, telephone, or e-mail. Buyer further agrees that Century's express permission to fax, telephone, or e-mail Buyer such notices and other information will continue and have no

date of expiration, unless a written request is received revoking permission.

16. U.S. Export Control Regulations. All Goods sold to Buyer by Century hereunder are subject to U.S. Export Control Laws. Buyer hereby agrees not to re-sell or divert any Goods contrary to such laws.

17. Non-Waiver. No waiver by Century with respect to any breach or default of any right or remedy and no course of dealing shall be deemed to constitute a continuing waiver of any other breach or default of any other right or remedy, unless such waiver be expressed in writing and signed by Century.

18. Severability. If any provision of this Agreement is held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

19. Miscellaneous. These Terms supersede all other communications, negotiations, and prior oral or written statements regarding the subject matter of these Terms. No change, modification, rescission, discharge, abandonment, or waiver of these Terms shall be binding upon Century unless made in writing and signed on its behalf by its duly authorized representative. No conditions, usage, or trade, course of dealing or performance, understanding, or agreement purporting to modify, vary, explain, or supplement these Terms shall be binding unless hereafter made in writing and signed by Century. No modification shall be affected by Century's receipt or acceptance of Buyer's purchase orders, shipping instruction forms, or other documentation containing terms at variance with or in addition to these Terms, all of which are objected to by Century. All typographical or clerical errors made by Century in any quotation, acknowledgment, or publication are subject to correction. These Terms shall be governed by and construed and interpreted in accordance with the laws of the State of Ohio, without regard to its conflict of law principles. Any action, regardless of form, arising out of transactions relating to this contract or any other theory of recovery shall be brought within one year of the date of tender of delivery of the applicable Goods except that any action by Century for payment hereunder may be brought within five years of the date of delivery of the applicable Goods. Further, the United Nations Convention on the International Sale of Goods (1980) (as amended from time to time) shall not apply to this contract or any transactions relating thereto.

Signed: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Fax Numbers: \_\_\_\_\_

Date: \_\_\_\_\_

*Please fill out and sign this page. **Only an officer of the company may sign this form.** Please initial all other pages. Then, return all pages to Century by fax to Century Systems, Inc. at...*

**(937) 237-1595.**

\_\_\_\_\_  
Initials