

Schuster Electronics, Inc. Terms & Conditions of Sale

ORDERS: All orders are received subject to acceptance by an authorized representative of seller. All orders must be firm commitments giving complete item description, quantity and shipping requirements. Typographical and clerical errors in quotations, orders and acknowledgements are subject to correction.

PRICE: Purchase orders are accepted in accordance with seller's regular scheduled prices, terms and conditions. Prices are subject to change due to price changes from the manufacturer. The buyer will be notified before shipment is made of any price adjustment.

DELIVERY: Unless otherwise specified on the face hereof, all deliveries are F.O.B. point of shipment. Shipment will be made in accordance with instructions given when the order was placed, or otherwise seller's normal shipping method. Upon delivery of the material covered hereunder to the carrier, the buyer assumes the risk of all loss thereof or damages thereto resulting from any cause whatsoever.

SHIPMENT: Shipment dates are approximate and are not guaranteed. Seller shall not be liable for delays in delivery or failure to manufacture or deliver due to causes beyond its reasonable control, including but not limited to acts of God, acts of buyer, acts of military or civil authorities, fires, strikes, flood, epidemic, war, riot, delays in transportation, or inability to obtain necessary labor, material, components, or manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of such delay. In the event of impossibility of performance resulting from any of the above causes, seller shall have the right to cancel this contract without further liability to the buyer. Cancellation of any part of this order shall not affect the seller's right to payment for any product delivered hereunder. Orders with indefinite dates are accepted upon the understanding that seller shall have the right to fill said order as it sees fit and to hold the goods for the buyer's account at the buyer's expense and risk pending receipt of definite delivery instructions. Changes to shipment dates of orders may result in charging buyer a carrying charge not to exceed 2% per month of delay. On any individual order or release against an order for goods, seller reserves the right to ship and invoice for a quantity of goods which may vary up to 5 percent over or under the quantity specified on the individual release and the buyer shall accept delivery and pay for such revised quantity and consider the shipment to be complete.

WARRANTY: Material furnished by suppliers to seller are warranted only to the extent of the original manufacturer's express warranty to seller. Unless otherwise specified, the seller warrants to the buyer that the products that received value added services sold hereunder are free from defects in material and workmanship for a period of 90 days from the date of shipment. If it appears within 90 days from the date of shipment that any product sold hereunder does not meet the warranty specified above, and buyer notifies seller promptly, seller shall hereupon correct any such defect by repairing any such defective product or products, or at seller's option by making available a repaired or replacement product. THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL, OR IMPLIED, INCLUDING ANY WARRANTY OF PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR PURPOSE. Seller will make no allowance for repairs or alterations to the product made by the buyer, unless made with the advance written consent of the seller. The foregoing shall constitute the sole remedy of buyer and the sole liability of the seller.

LIMITATION OF LIABILITY: Seller's liability on any claim of any kind, including negligence, for any loss or damages arising out of, connected with, or resulting from this contract, or from the performance of breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any product covered by or furnished under this contract, shall in no case exceed the price of the product or part thereof which gives rise to the claim. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OR FOR DAMAGES IN THE NATURE OF PENALTIES. Any action for breach of this contract by seller must be commenced by buyer within one year after buyer's cause of action has accrued.

INDEMNIFICATION: Buyer agrees to indemnify and hold harmless seller of and from any and all claims or liabilities asserted against seller in connection with the manufacture, sale, delivery, resale or use of any product covered by or furnished under this contract arising in whole or in part out of or by reason of the failure of the buyer, its agents, servants, employees, or customers to follow instructions, warnings or recommendations furnished by seller in connection with such product or by reason of the negligence of buyer, its agents, servants, employees or customers.

CANCELLATION: Buyer may cancel this contract only upon written notice to seller and upon payment to seller of reasonable and proper cancellation charges, including but not limited to (1) the proportionate contract price for all material completed, whether shipped or not, prior to seller's receipt of notice of cancellation; (2) all costs theretofore incurred by seller in connection with material uncompleted at the time notice of cancellation is received; (3) an amount equal to the percentage of profits on all such costs; and (4) the expenses incurred by seller by reason of such cancellation, including reimbursement for any charges arising from termination of subcontract claims.

TAXES: Liability for all taxes and import or export duties, imposed by any city, state, federal or other governmental authority, shall be assumed and paid by buyer. Buyer further agrees to indemnify seller against any and all liabilities for such taxes or duties and legal fees or costs incurred by seller in connection therewith.

INSURANCE: Buyer shall provide and maintain adequate insurance for the product delivered hereunder against loss or damages by fire or other causes during the time between delivery and final payment, in an amount fully protecting seller, and loss or damage by fire or other cause within such period shall not relieve buyer from its obligations under this contract. Buyer shall provide and maintain adequate liability and workmen's compensation insurance covering all who may assist in the use and/or assembly of the product delivered hereunder.

TERMS OF PAYMENT: All invoices, unless otherwise specified are due within 30 days from date of shipment. Seller may open accounts for firms with approved credit or ship COD. Seller reserves the right of declining to make deliveries except for cash or certified check whenever seller for any reason has doubts regarding buyer's financial responsibility. In such event, seller shall not be liable for nonperformance of the contract and shall not make further delivery until it has received adequate assurance that buyer's performance will be duly forthcoming. The failure of buyer to provide such assurance within a reasonable time will be regarded by seller as a repudiation of the contract by buyer.

INTEREST: Interest may be charged at the rate of 1.5% per month (a rate of 18% per year) on all past due accounts.

CLAIMS OF SHORTAGES OR DAMAGES: All claims of shortages or damages must be filed in writing with the Accounting Department of Schuster Electronics within 15 days after receipt of merchandise. Claims filed after this time period will not be allowed.

MINIMUM ORDER POLICY: All orders are subject to seller's Minimum Order Policy.

RETURNED GOODS: Any goods shipped and invoiced cannot be returned without seller's authorization. If authorized by receiving an SRA (Schuster Return Authorization) number, buyer shall return authorized products promptly to seller's normal shipping location via cheapest means. A restocking charge will be applied to all goods returned due to the buyer's error. Goods quoted non-cancelable, non-returnable cannot be returned for credit.

APPLICABLE LAW: This agreement shall be governed and construed according to the laws of the state of Ohio, U.S.A.

ENTIRE AGREEMENT: This agreement constitutes the entire contract of sale and purchase of the products named herein. No modification of this contract shall be binding upon the seller unless in writing and signed by the seller, and no modification shall be effected by seller's acknowledgement or acceptance of buyer's purchase order forms containing different provisions.