

INGUN USA, Inc. Terms and Conditions

Any transaction between Ingun USA, Inc. (hereinafter "Ingun USA") and a Purchaser (hereinafter "Purchaser") is subject to these terms and conditions. These terms and conditions are intended by the parties to be the final expression of their agreement with respect to the terms of their transaction. Submittal of a purchase order to Ingun USA by Purchaser shall constitute acceptance by Purchaser of these terms, and payment of earlier invoices for prior transactions on these terms shall also be deemed evidence of acceptance of these terms.

Subject to Section 14 ["Delays in Matters Beyond Ingun USA 's Control"], these terms and conditions may only be modified by a written agreement duly signed by persons authorized to sign agreements on behalf of Ingun USA and the Purchaser or as modified on Ingun USA 's quote. These Terms of Sale contain the complete and exclusive agreement between the parties, and supersede any and all prior course of dealing, course of performance or usage of trade or oral or written agreements.

ANY TERMS ON PURCHASER'S PURCHASE ORDER OR OTHER FORM, REGARDLESS OF WHETHER COMMUNICATED BEFORE OR AFTER THIS TERM SHEET, WHICH ARE INCONSISTENT WITH THE TERMS SET FORTH HEREIN SHALL NOT APPLY.

1. Price. The first order has to be prepaid. After the first order, Purchaser promises to pay the price described on Ingun USA's invoice on or within thirty days after the date of such invoice or in accordance to the payment schedule as outlined on the estimate (quote). With acceptance of said quote by the Purchaser, the outlined payment terms are legally binding. In the event that the Purchaser fails to timely pay, then the Purchaser shall pay Ingun USA the costs incurred by Ingun USA as a result of that breach including, without limitation, attorneys' fees, court costs, stenographic costs, expert fees, and all other costs of collection. Methods of payment are (1) checks made out to INGUN USA, Inc. and sent to INGUN USA, Inc. / 252 Latitude Ln Ste 102 / Lake Wylie SC 29710 (2) ACH/EFT payment (Electronics Funds Transfer) – Bank Account information will be emailed to Purchaser (3) Credit card payments (VISA, Mastercard, American Express or Discover) with a surcharge of 3% to the total sales price (Purchaser to call Ingun USA to submit credit card information) or (4) Wire Transfers (Bank Account information will be emailed to Purchaser). All payments are to be made in USD without any deductions. Any fees such as international wire transfer fees for payments from outside the United States have to be covered by the Purchaser.

2. Security. To secure payment of the purchase price, Purchaser hereby grants to Ingun USA a security interest in the goods purchased. The security interest described herein is in addition to, and supplemental to, the rights that Ingun USA may otherwise have at law or in equity. The Purchaser authorizes Ingun USA to record a Uniform Commercial Code Financing Statement describing said goods and to notify Purchaser's prior secured creditors. Ingun USA shall have all of the rights and remedies of a secured party under Article 9 of the Uniform Commercial Code. A copy of Ingun USA's invoice may be filed as a financing statement.

3. Right to Cease Shipments. In the event the Purchaser fails to pay any amount due to Ingun USA as and when due, Ingun USA may, in addition to all of its other rights and remedies at law or in equity, cease all shipments to Purchaser, recall any shipments in transit, and demand the return of any product shipped to the Purchaser and not yet paid for.

4. Inspection. Purchaser agrees to inspect the goods under Ingun USA's invoice upon receipt. All goods retained by the Purchaser after the second day following receipt shall be deemed accepted.

5. Limited Warranty of Ingun USA. Products covered by Ingun USA's invoice are sold upon the following terms and the following terms only: Ingun USA warrants to the original purchaser, and to no others, that the product is free from defects in material and workmanship for a period of ninety days from

the original date of purchase if not misused or abused in Ingun USA's opinion. **Ingun USA DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** The Purchaser's sole remedy in the event of a breach of any warranty contained herein shall be that Ingun USA shall at Ingun USA's option either repair or replace the defective product. Under no circumstances shall Ingun USA's liability exceed the amount paid by Purchaser as the purchase price. For items on the purchase order that have been subcontracted to third parties such as but not limited to customization of test fixtures or jigs, it shall be the subcontractor's responsibility to warrant the product to be free of defects in material or workmanship. Claims shall be directed to the subcontractor, which will be disclosed by Ingun USA. Said subcontractor warranty also applies to any product that has been procured from INGUN Pruefmittelbau GmbH, Germany due to release of a transfer order between Ingun USA, Inc. and INGUN Pruefmittelbau GmbH which is in direct reference to the order from the Purchaser with Ingun USA due to forwarding of such items to the Purchaser or another subcontractor upon arrival at Ingun USA. In such case the terms and conditions of INGUN Pruefmittelbau GmbH apply in addition to this document. INGUN Pruefmittelbau GmbH's terms and conditions can be found at www.ingun.com

6. Limitations and Damages Disclaimer. Ingun USA shall not be liable to the Purchaser, or any third party, for any special, consequential, incidental, exemplary or indirect costs or damages, including without limitation, legal costs, installation and removal costs, lost production or lost profit arising from any cause whatsoever, regardless of the form of the action, whether in contract, tort (including negligence), strict liability or otherwise, even if advised of the possibility of such costs or damages. For the purposes of this provision, "Ingun USA" includes Ingun USA, Inc.'s directors, officers, employees, agents, representatives, subcontractors, and suppliers.

7. Applications Responsibility. Ingun USA products may be applied and used as components in larger assemblies, for which Ingun USA has no knowledge or control over the risks of installation, application or use of such Ingun USA products. The Purchaser acknowledges and agrees that it is solely responsible for all known and unknown risks of installation, application and use of such Ingun USA products or inability to use them and for compliance with all legal, regulatory and safety-related requirements concerning its products and any use of Ingun USA Products in the Purchaser's applications, notwithstanding any applications-related information or support that may be provided by Ingun USA.

8. Choice of Law. Ingun USA's invoice and the relationship between the parties shall be governed and construed in accordance with the laws of the State of South Carolina. The parties hereto consent to the jurisdiction of the state and federal courts located therein. The parties agree that this transaction is a business transaction and not a consumer transaction. Any action against Ingun USA shall be maintained only in courts in the State of South Carolina.

9. Tax. In the event that any state with jurisdiction over a transaction with Ingun USA imposes a sales tax, excise tax or other tax upon this transaction, then, the Purchaser shall pay the amount of said tax.

10. Risk of Loss / Shipping Terms . All transactions described in Ingun USA's invoice are EXW Lake Wylie, South Carolina. The Purchaser shall pay the shipping and if exported any necessary duties, import fees etc.. The Purchaser shall obtain insurance. The Purchaser shall bear the risk of loss or damage in transit. The Purchaser has to state desired major carrier (FedEx, UPS or DHL) and shipping speed.

11. Non-Returnable / Non-Cancelable Products. Certain products cannot be returned or cancelled – (1) Customized solutions; (2) purchases over \$1000; (3) Products that Ingun USA have to procure from the overseas manufacturing plant

12. Product Return Policy. At its sole discretion, Ingun USA may authorize the return of standard product (and standard product only) for credit against future purchases on the following terms: (a) there shall be no cash refunds. (b) There shall be a 20% restocking charge. (c) There shall be no return if the Purchaser is in default of any obligation owed to Ingun USA. (d) The Purchaser must obtain prior

authorization and a Return Material Authorization Number from Ingun USA. (e) The product must have been purchased by Purchaser within three (3) months of the date returned. (f) The product must be in its original sealed and unopened plastic bag or container with all labels. (g) The product must be adequately packaged for shipment. (h) Ingun USA will accept product for return only on a satisfactory inspection of the product on return. (i) The Credit shall be based on the original price when shipped less all freight (if any) paid by Ingun USA.

13. Blanket Orders. Customer is liable for the purchase and release of all standard and non-standard product(s) ordered/released within a twelve (12) month period. Any remaining quantities at the end of such time will be shipped and invoiced accordingly.

14. Delays in Matters Beyond Ingun USA's Control. If Ingun USA is delayed or prevented from delivering products to Purchaser due to any cause beyond Ingun USA's control, then the period of performance shall be extended. Due to unforeseeable changes beyond the control of Ingun USA, Ingun USA retains the right to change its prices accordingly and to alter the delivery schedule for the products.

15. Quantities. Unless Ingun USA otherwise specifically agrees in writing, for non-standard items Ingun USA reserves the right to over or under ship the quantities ordered by 10%.

16. Non-Waiver. These terms and conditions set forth the entire understanding between the parties with reference to the subject matter hereof. The failure of Ingun USA to enforce at any time any of the provisions hereof shall not constitute a waiver of such provision or a waiver of the rights to enforce the right to enforce any or all provisions at another time.

17. Severability. If any provision of these terms and conditions is found to be in violation of any Federal, State or local statute or regulations, or is illegal for any reason, said provision shall be self-deleting without affecting the validity of the remaining provisions.

EXPORT DESTINATION CONTROL STATEMENT.

"These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited."

Latest update: Lake Wylie, SC 2013-03-27