



W-STANDARD USA, INC.  
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## Terms and Conditions

- 1. Exclusive Terms** - All orders shall be governed by the following terms and conditions. These terms and conditions shall constitute the complete Agreement between the purchaser of the goods (herein 'Buyer') and W-STANDARD USA, Inc. (herein 'Seller') and shall supersede all prior and contemporaneous oral and written statements of any kind whatsoever made by the parties and their representatives.
- 2. Terms** – As approved by Seller's Credit Department and except as otherwise provided, payment terms are net thirty (30) days from date of Seller's invoice. An electronic invoice will be sent to the Buyers accounts payable contact. An electronic payment via credit card or bank transfer is preferred. Or a company check should arrive at the office of Seller no later than 32 days from Seller's invoice. A late payment charge of five percent (5%) per month (but not in excess of the legal maximum) may be added to all past due balances. Buyer is responsible for reason-able attorney's fees, costs and expenses incurred in connection with the collection of past due balances. Buyer's cancellation of orders is subject to a service charge to cover the costs of initial processing and/or production of the order.
- 3. Price** - Seller has the sole right to set all prices for product. Prices are subject to change without notice.
- 4. Taxes** - Any applicable federal, state, local or other government tax or charge on the sale or shipment of the goods covered by this Agreement shall be added to the price and paid by Buyer. Buyer agrees to hold Seller harmless from all such taxes, including interest and penalties thereon, and any costs and expenses in connection thereupon.
- 5. Shipping, Freight and Delivery** – Except otherwise agreed to in writing ahead of time by the Seller, the Buyer is responsible for shipping and all related shipping costs. Shipping costs are calculated from Sellers headquarters in Irvine Ca. The Seller will not ship to a 3<sup>rd</sup> party.
- 6. Financial Responsibility** - Shipments and deliveries of all items, shall at all times, be subject to approval of Seller's Credit Department. Seller at any time may require payment in advance or satisfactory security or guarantee that invoices will be promptly paid when due. Prior to credit approval orders will only be shipped on the basis of payment in advance. Buyer should submit a completed credit application with its initial order to expedite credit approval. In addition to and without limiting Seller's existing rights and remedies, Seller reserves the right to withhold further deliveries and/or terminate this or any other contract with Buyer, if Buyer fails to comply with the terms of this or any other Agreement. Upon Seller's termination of this Agreement, all unpaid amounts Buyer owes Seller shall become immediately due and payable.
- 7. Buyer's Agreement to Defend** - Buyer agrees to defend, protect, and save Seller harmless against all suits at law or in equity and from all costs of suit, legal fees, expenses, damages, claims, and demands arising out of or awarded in connection with any goods: (a) sold or supplied to Buyer by Seller that are not maintained and operated in accordance with recommended procedures, or (b) sold or supplied to Buyer by Seller to meet Buyers specifications, requirements, or instructions.
- 8. Warranty** - Except as otherwise provided, Seller offer a limited warranty for a period of three (3) year from the date of shipment that the goods supplied to Buyer shall be of good materials and workmanship. Seller warrants that the goods supplied by Buyer from the date of end users purchase, when properly installed and used, are fit for the ordinary purpose or purposes indicated and will conform to any other specifications supplied by Seller. Seller makes no warranty with respect to the following: (a) materials not manufactured by Seller, the use of which is suggested by Sellers general recommendations, application or installation procedures, or otherwise; (b) goods sold by Seller to Buyer for other than resale; and (c) all display items sold by Seller to Buyer (d) or any labor cost incurred during the warranty process. THE FOREGOING WARRANTIES ARE EXCLUSIVE, AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. SELLER DOES NOT ASSUME, NOR AUTHORIZE ANY REPRESENTATIVE OR OTHER PERSON TO ASSUME FOR IT, ANY OBLIGATION OR LIABILITY OTHER THAN AS EXPRESSLY SET FORTH HEREIN.
- 9. Limitation of Remedies** - Seller's obligations under the above warranties are conditioned upon Seller actually receiving notice from Buyer of the alleged defect within one (1) year from date of shipment and the allegedly defective goods revealing an actual defect upon examination by Seller. Seller shall not be liable for any labor or other expenses incurred by Buyer in the removal, repair, or replacement of the goods or any component part claimed to be defective, nor shall Seller be liable for any expenses incurred by the Buyer in order to remedy any defect. Seller shall not be liable for any consequential, special, or contingent damages or expenses, arising directly or indirectly from any defect in the goods, or from Buyers use or inability to use such goods. The discharge of Seller's warranty obligation hereunder shall constitute fulfillment of all liabilities of Seller to Buyer, whether based on contract, negligence, or otherwise. The remedies set forth herein shall be the exclusive remedies available to the Buyer and in lieu of all other remedies, and the liability of Seller, whether in contract, in tort, warranty or otherwise, shall not exceed the price of the goods sold, supplied, or furnished by Seller. Any suit or action arising out of or relating to this Agreement or the breach thereof must be commenced within one (1) year after the cause of action has accrued. The foregoing shall not limit the time within

which any suit or action must be brought to collect an amount agreed to be paid by Buyer or to enforce a judgment or to collect any amount awarded to Seller. The sole purpose of the stipulated exclusive remedy shall be to provide Buyer with a credit or replacement for, or repair of, defective parts in the manner provided herein. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as Seller is willing to credit Buyers account, repair, or replace the defective part(s) in the manner prescribed herein.

10. **Shortages** - Buyer must make claim for credit due to shortage within ten (10) days of the date of the shipment. Any shortage claim not made within this period is conclusively deemed waived by Buyer.
11. **Returns** - Buyer must receive a Returned Materials Authorization (RMA) prior to returning goods. Buyer must request an RMA within thirty (30) days of the date of the shipment in order to be considered. Seller will not issue an RMA for special order, non-stock, obsolete or made-to-measure goods. All goods returned to Seller must be in the original packaging and in resalable condition and must pass inspection before any credit is issued by Seller. The buyer is responsible for all return freight expenses for any products returned one year after the manufacturing date and will be subject to a service fee.
12. **Handling Charges for Returns** - Buyer is subject to a handling charge of twenty percent (20%) of the sales price of the returned goods. Defective goods, as verified by inspection, are not subject to a handling charge.
13. **Damages** - Seller is not liable for any damages to goods sustained during shipment. Buyer is responsible for filing any damage claims with freight carriers and is subject to the rules of the freight carriers regarding the timing and processing of claims.
14. **Defaults or Delays** - Seller shall not be liable for any default or delay in the production or delivery of all or any goods resulting either directly or indirectly from (a) accidents to, breakdowns, or mechanical failure of Seller's plant, machinery, or equipment; strikes or other labor troubles; labor shortages; fire; flood; wars; acts of the public enemy, acts of God; delays of suppliers; delays in transportation or lack of transportation facilities; embargos; shortages of, or reductions in energy sources; priorities, allocations, limitations, restrictions, or other acts required or requested by Federal, state, or local governments, or any subdivision, bureau or agency thereof; or (b) any cause beyond the control of Seller. In no event shall Seller be liable for any consequential, special, or contingent damages arising out of Seller's default or delay in filling Buyer's order.
15. **Binding Effect** - The provisions of any order shall bind and insure to the benefits of Seller and Buyer and their respective successors and permitted assigns. However, neither this Agreement, nor any part thereof or right thereunder, may be assigned by Buyer without the prior written consent of Seller.
16. **Interpretation** - Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of the Agreement should be prohibited or invalid under appropriate law, that provision will be deemed deleted and the remaining provisions of the Agreement will remain in full force and effect. The subject heading of the sections of the Agreement are included for the purpose of convenience only and will not affect construction or interpretation of any of its provisions.
17. **Additions** - Matters not covered in this contract can be supplemented by both parties, but they should be submitted in writing and signed by the representatives authorized by both parties before they can take effect. This distribution contract is made in duplicate, with each party holding one copy, which has the same legal effect. This distribution contract and a copy of the industrial and commercial, tax registration certificate shall be executed as a whole, and the copy of the attachment shall be signed at the same time as this contract. Both the seller and the buyer shall abide by the price system and the confidentiality of technical data without the consent of the other party; they shall not disclose relevant materials and information to third parties.
18. **Agreement and Application for Credit** - In consideration of Seller's extension of credit to Applicant, Applicant agrees to pay under the terms of this Agreement and Application for Credit (the "Agreement") when due (a) all debts, liabilities and obligations, now existing or hereafter coming into existence; (b) a service charge not to exceed 1 1/2% per month, or 18% per annum, (or the maximum allowable contract rate under applicable law) on the unpaid balance of any account or other Obligations (the "Service Charge"); and (c) reasonable attorneys' fees, costs and expenses incurred in connection with the collection and enforcement, or any attempts at collection and enforcement, of such debts, liabilities or obligations of Applicant, by or through any attorney, all of (a), (b) and (c) shall be referred to as the "Obligations".

Applicant agrees to pay for all goods purchased in compliance with the prevailing terms of Seller. If Applicant fails to comply with Seller's prevailing terms or any of the provisions of this Agreement, Seller may declare the unpaid balance on this account immediately due and payable. In this event, Applicant agrees to pay such balance upon demand or Seller may, in the manner and as provided by applicable law, retake the goods or pursue any further remedy provided by applicable law.

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