



Terms and Condition of Sale for Triad Automation Group, Inc.

Order of Precedence: These Terms and Condition of Sale take precedence over buyer's additional or different terms and conditions, if any to which notice of objection is hereby given. Acceptance by buyer is limited to Triad Automation Group, Inc., hereinafter, "TAG", Terms and Conditions of Sales contained herein. Neither TAG's commencement of performance nor delivery shall be deemed or construed as acceptance to buyer's additional terms or conditions. Buyers purchase and/or purchase order of TAG's products (either manufactured or for resell) and services, etc. represent acceptance of these Terms and Condition of Sales and which constitutes the entire understanding between the parties and supersede any previous communications, representations, or agreements by either party, whether verbal or written, with respect to this matter.

Terms of Payment: Standard payment terms are net thirty (30) days from the date of invoice on approved credit accounts. If requested in advance a 2% discount will be honored for payments made within (10) days from invoice date. This discount should be requested and not assumed. TAG also accepts MasterCard, Visa and American Express as methods of payment. Invoices not paid within 60 days from invoice date may result in a "credit hold" situation, and late fees being charged to buyers account. TAG does not recognize the (POC) Pay on Consumption policy. Legal action for collections may occur at ninety (90) days past the invoice date. Acceptance by buyer of materials shipped or delivered by TAG indicates the buyer's financial responsibility and willingness to pay in accordance with the terms indicated on each billing invoice, as well as buyer's agreement to reimburse TAG for any additional costs incurred in the collection process, which does not exclude attorney's fees.

Taxes and Duties: Quoted prices do NOT include taxes or duties. Unless buyer supplies TAG with tax exemption certificates acceptable to the tax authorities, buyer shall pay any sales, use, excise or similar tax attributable to the sale of merchandise covered by TAG's invoice. Buyer shall pay any and all duties or surcharges incurred on outbound shipments originating from the stated F.O.B. point.

Governing Law: This agreement shall be construed and controlled by the laws of North Carolina, without application of its conflict of laws, provision, and the applicable laws of the United States of America.

Acceptance: TAG reserves the right to refuse to accept any order. Acceptance of any order by TAG is subject to TAG's ability to obtain the required material and/or services to fulfill the order, regardless of TAG's acknowledged receipt of buyer's order.

Performance(Force Majeure): TAG shall not be liable for any failure or delay in performance under this agreement to the extent said failures or delays are proximately the result of cause beyond TAG's control, including, without limitation; failure of suppliers, subcontractors, carriers, labor disputes, product allocations, material shortages, unforeseen circumstances, acts of God, acts or omissions of other parties, acts or omissions of civil or military authorities, government priorities, fire, strikes, quarantine restrictions, riots, acts of terrorism or war. TAG's time for delivery or performance will automatically be extended by the period required to overcome such delay, or TAG may, at its option, cancel any order in whole, or in part, without liability by giving notice to the buyer.

Cancellation: All orders are (NCNR) Non-Cancelable and Non-Returnable. TAG has a (0) zero day cancellation window. In the event that an order needs to be cancelled or rescheduled beyond 30 days, a cancellation charge may be assessed. The cancellation charge will be equal to the costs (if any) incurred by TAG in the procurement and manufacturing of the cancelled item. This shall include, but not be limited to materials, labor, and freight. TAG will do everything within its power to minimize such charges and may elect to waive any or all charges at its discretion.

Reschedule: All orders are (NCNR) Non-Cancelable and Non-Returnable. Any reschedule of an NCNR part must be confirmed by TAG and is subject to TAG's cancellation policy.

Returned Goods: All orders are (NCNR) Non-Cancelable and Non-Returnable. Items should not be returned unless authorized by TAG. Items returned for any reason other than for defect in manufacturing will be handled as a cancellation. No material will be accepted for return after 90 days from ship date. In order to return goods, contact your TAG representative to obtain an (RMA), Return Materials Authorization number. This number should be clearly marked on the outside of the package to be returned. Any returned goods shipped into TAG, without prior approval will be handled as a cancellation and be returned to the buyer at their expense.

Delivery and Shortages: Unless otherwise provided, delivery shall be made F.O.B. from TAG's facility, warehouse, factory or supplier. Regardless of the method of delivery, however, risks of loss shall pass to the buyer upon TAG's delivery to a carrier. Any delivery dates given are approximate only and TAG shall have no liability for any delays in delivery. Any claims by the buyer for omissions or shortages in a shipment shall be waived unless TAG receives a notice of such within 72 hours after the buyer's receipt of the shipment. In no event shall TAG be liable for consequential or special damages arising out of delay in or failure of delivery.

Inspection and Acceptance of Goods: The buyer is responsible for evaluating received goods for final acceptance. All claims for damaged goods must be made by the buyer directly to the responsible carrier. Buyer must inform TAG of such claim being made within 72 hours of delivery. Damaged goods should be held in the condition that they are received until inspection by the carrier can be performed. Claims for damaged or lost good made to the carrier do not constitute a waiver against payment of TAG's invoice. Claims for incorrect shipments or omissions must be made to TAG within 7 days of receiving the goods in order for the claim to be valid.

Indemnification: Buyer agrees to indemnify and hold harmless TAG from and against any and all claims, liabilities, damages, costs and expenses (including reasonable attorney's fees and litigation expenses) arising from or related to (a) the purchase, use and/or distribution of products supplied by TAG in violation of the terms and conditions of this Agreement, (b) the negligence or lack of due care by the buyer, buyer customers, agents, employees or invitees, in whole or in part, (c) infringements of third party intellectual property or other proprietary rights arising from the use or distribution of supplied products by buyer, buyer's customers, agents, employees in whole or in part.

Title and Risk: Unless otherwise specified in writing, TAG retains title until payment is received in full. Irrespective of this provision, and the provisions concerning price and transportation charges, risk of loss or damage shall pass to the buyer upon delivery of goods to the buyer or to any contract or common carrier, whichever shall occur first. If TAG assists buyer in processing claims against carriers, TAG shall not incur any liability thereof.

Consigned Materials: Goods supplied to TAG for use in manufacturing TAG's product, either directly or indirectly, shall be the property of the buyer, and buyer shall assume all risks and liability associated with such materials. TAG is not responsible for loss or shrinkage of consigned materials in the manufacturing of the said materials. Unless otherwise specified in writing, excess consigned materials will be returned to the buyer upon completion of the referenced order. Any product remaining at TAG's facility, (90) ninety days or greater, without prior arrangements, shall become the sole property of TAG to be disposed of at the discretion of TAG.

Suitability: While TAG may provide assistance in the suitability of goods for particular applications, it is solely up to the buyer to determine the suitability of the product in the application. All information provided by TAG shall be checked, by buyer for accuracy and acceptability in regards to the application. All claims of regulatory acceptance and/or approvals by third parties are deemed to be true and correct, and are solely up to the buyer to determine the validity of such claims.

Limitation of Damages or Buyer's Remedies: TAG warrants those products assembled or customized by it against defects caused solely by faulty assembly or customization for (90) ninety days after delivery. All other products, and the components and materials utilized in any assembled or customized products, are covered by, and subject to the terms, conditions, and limitations of the manufacturer's standard warranty, which warranty is in lieu of any other warranty, express or implied, of or by TAG or the manufacturer. Customer's exclusive remedy, if any, under these warranties is limited, at TAG's election, to any either a refund of the customer's purchase prices, or, repair by TAG or the manufacturer of any products found to be defective. Customer acknowledges that except as specifically set forth or referenced in this paragraph, there are no representation or warranties of any kind, including without limitation any advertising, materials, brochures, or other sales literature by TAG or any other person, express or implied, as to the condition or performance of any products including their merchantability, purpose or fitness of use. TAG assumes no responsibility or liability whatsoever for manufacturer's product specifications or the performance or adequacy of any design or specification provided to TAG by or on the customers behalf. Use of the customer's part number on TAG documentation or on any products is for convenience only and does not constitute any representation by TAG with respect to performance, specifications, or fitness of any part for any purpose.