



## TERMS AND CONDITIONS

**QUOTATION AND PURCHASE ORDER:** These Standard Terms and Conditions of Sale (“Sale Terms”) are delivered concurrently with, attached to, and form and integral part of, the customer quotation (the “Quote”) you have received, as well as any subsequent formalized purchase order(s) signed in writing by Advanced Precision, Inc. (as “Seller”) (each a “Purchase Order”) and resulting from the Quote for goods being purchased by you (as “Buyer”) from Seller. Unless otherwise stated, the Quote is valid only for a period of thirty (30) days from the date of the Quote. Orders accepted are subject to the Sale Terms and no agreement or other understanding in any way modifying these Sale Terms shall be binding upon the Seller unless made in writing and accepted over the signature of an authorized executive of the Seller.

**PURCHASE ORDERS:** All Purchase Orders should be faxed to 973-383-3774 and/or emailed to [info@advancedprecision.com](mailto:info@advancedprecision.com), c/o Henry Pinto, President.

**PLACE OF DELIVERY:** Delivery terms are FOB at the dock of the Seller’s location in Sparta, NJ, USA unless otherwise specified in Seller’s Quotation to the Buyer delivered concurrently with the Sale Terms.

**INSPECTION & RECEIPT:** All goods delivered hereunder must be inspected by the Buyer upon receipt thereof. All claims for shortages or for any other cause must be reported to Seller and to the carrier within **ten (10) calendar days** after receipt with packing slip attached. If the Buyer receives goods hereunder and takes possession of same without inspection, Buyer shall be irrevocably deemed to have unconditionally accepted such goods and waived its rights to inspect such goods and /or files claims with the Seller. No deductions of any nature will be honored unless a credit memorandum covering the same has been previously issued by Seller’s accounting department or otherwise authorized in writing. Goods shipped to the Buyer may be returned to the Seller for credit only upon the Seller’s written consent and the payment to Seller of a minimum restocking charge of twenty percent (20%) and then only if goods are in new and resalable condition.

**ORDER CHANGES/MODIFICATION:** Once accepted by Seller, no specifications or other details of any Purchase Order may be changed, modified or varied by the Buyer without the prior written consent of Seller. Seller reserves the right, in connection with any written approval by it hereunder of any requested changes, modification or variations of the Buyer, to increase the purchase price of such Purchase Order to reflect any such changes, modification or variations so approved of by Seller hereunder.

**DELAYS:** In the event of any delay in Seller’s performance due to fire, explosion, strike, shortage of material or labor, delay in transportation, breakdown, or accident, compliance with or action taken to carry out the intent or purpose of any law or regulation, or any other cause or thing beyond Seller’s reasonable control, Seller shall have such additional time within which to perform its obligation hereunder as may be reasonably necessary under the circumstances and Seller shall additionally have the right to reallocate its production activities among its customers in such manner as it may reasonably determine in light of the anticipated severity and duration of such delays.

**ORDER CANCELLATIONS/DELAYS:** Notwithstanding any other provision contained herein, following acceptance by Seller of any Purchase Order, Buyer shall not be entitled to cancel, delay or defer such Purchase Order, either in whole or part, except with the prior written consent of Seller and, absent such prior written consent, Buyer shall be absolutely required to accept and fully pay for all goods and services ordered and delivered hereunder in accordance with these Sale Terms. Seller reserves the right to increase the purchase price of such Purchase Order and/or to assess the Buyer for any reasonable additional charges or fees in connection with any such cancellation, delay or deferral of such purchase Order agreed to in writing by Seller hereunder.

**PRICE AND PAYMENT:** All prices are quoted US dollars. Prices are exclusive of and do not include any freight, any applicable federal, state, municipal, value added, sales and/or other taxes of any nature or kind, any duties or any brokerage fees, all of which are the sole responsibility of the Buyer. Terms of payment shall be Net 30 unless otherwise specified on the quotation. A late payment charge of one and on half percent (1.5%) per month shall be added to past due accounts and in the event any account is placed for collection with an attorney or a collection agency. Buyer shall pay all costs and expenses incurred by Seller in connection with any such collection. Seller may require full payment guarantee in advance of shipment whenever, in its reasonable opinion, same is required.

**SECURITY FOR PAYMENT:** As general and continuing security for the payment in full of the purchase price for the goods delivered by the Seller to the Buyer hereunder, the Buyer hereby grants to Seller a continuing security interest in the goods delivered by the Seller to the Buyer hereunder. The parties acknowledge that value has been given, that the Buyer has rights in the goods and the parties have not agreed to postpone the time for attachment of the security interest created and granted hereby. The security interest created hereby shall be operative as a present, attached, fixed and specific assignment, mortgage and charge of and security interest in such goods and shall not be interpreted or construed as a floating charge. No goods furnished by the Seller shall become a fixture by reason of being attached to any real property.

The Buyer expressly authorizes the Seller to file any financing statement (or similar document) to perfect the security interest granted hereunder by the Buyer to the Seller under applicable personal property security legislation in the Buyer's jurisdiction and/or the jurisdiction where the goods will be physically located and/or used by the Buyer. In case of any default in payment, the Seller and/or its agent is fully authorized by the Buyer hereunder to forthwith take possession of and remove the goods from the Buyer's premises or elsewhere without any prior demand or notice of any kind (except as may be required by law). In connection with such removal of the goods, the Buyer waives all right of action for trespass or other cause thereof. The Buyer shall be fully responsible for all costs relating to the collection, repossession and/or storage of such goods.

**BILLING AND PAYMENT:** All Purchase Orders will be accepted by the Seller expressly subject to approval by the Seller of the Buyer's credit in writing and the Seller reserves the right to cancel any Purchase Order if the Buyer's credit is not satisfactory for any reason whatsoever. A one and on-half percent (1.5%) per month (18% annual rate) finance charge will be added to all open account balances.

**WARRANTY:** The Seller warrants its newly manufactured products to be free from defects in workmanship and materials for a period of 30 Days from date of shipment unless otherwise specified in Seller's Quotation to the Buyer. Seller will replace without charge any defective parts if returned, upon factory authorization with transportation charges prepaid within 30 Days. Notwithstanding the above, Seller's liability for defective components included in Seller's own manufactured products is necessarily limited to the warranty or guarantee offered by the manufacturer of such components. If the Buyer wishes to initiate work that may be covered by any product warranty granted by Seller hereunder (the "Proposed Work"), the Buyer shall provide a Purchase Order to Seller for such work to be performed by a technician onsite wherein the Buyer will agree to cover all labor costs and related expenses. If the Proposed Work is determined by Seller, acting reasonably, to be covered by any product warranty granted by Seller hereunder, the Buyer will not be charges for such labor costs and related expenses for such technician.

**LIMITED LIABILITY:** Except for the above warranty, SELLER MAKES NO WARRANTY, EXPRESS OR IMPLIED, AND ANY IMPLIED WARRANTY OF MERCHANT ABILITY OF FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEEDS THE FOREGOING WARRANTY IS HEREBY DISCLAIMED BY US AND EXCLUDED FROM ANY AGREEMENT MADE BY ACCEPTANCE OF ANY PURCHASE ORDER BY SELLER. Seller shall not be liable for any consequential damages, loss, or expenses arising in connection with the use or the inability to use the products for any purpose whatsoever. Seller's maximum liability shall not, in any case, exceed the cost of replacing defective parts if returned to Seller within 30 Days. No salesperson, manufacturer's representative or other person may make or has the authority to make any guarantees or warranties expressed or implied on behalf of the Seller that are inconsistent with these Sales Terms.

The remedies contained above in this paragraph shall constitute the sole recourse of the Buyer against the Seller for breach of any of the Seller's obligations under the sales contract, whether warranty or otherwise. The Seller shall not be liable for failure to perform its obligations under the sales contract resulting directly or indirectly from or contributed to by acts of God, acts of the Buyer, civil or military authority, priorities, fires, strikes or other labor disputes, accidents, floods, epidemics, war, delays in transportation, lack of or inability to obtain raw materials, components, labor, fuel or suppliers or other circumstances beyond the Seller's reasonable control, whether similar or dissimilar to the foregoing.

**INDEMNITY:** The Buyer hereby agrees to defend and indemnify Seller and hold it harmless from and against all claims, suits and actions asserted or instituted against Seller by any employee of the Buyer arising out of the use, operation, repair or maintenance of the goods sold hereunder.

**ERRORS:** Typographic and clerical errors are subject to correction.

**SAFETY:** Seller shall not be responsible for the installation of any goods. Except as otherwise specified in the Quotation, the Buyer shall be solely responsible to provide interlocks, guards and other safety devices and procedures to protect its own employees and contractors (including, without limitation, the operator and/or repairman of any goods) in connection with any installation, operation and/or use of the goods sold hereunder.

**DRAWINGS AND INTELLECTUAL PROPERTY:** All drawings, descriptive material, and other particulars furnished by the Buyer and all descriptive matter and illustrations contained in the Seller's catalogues, price lists, specification sheet, etc. are intended merely to present general descriptions or instructions of the installation of the goods and do not form part of the Quotation or these Sale Terms. All drawings, descriptive matter and other particulars furnished by the Seller in connection with the Quotation shall remain the sole and exclusive property of the Seller. The Buyer shall return all such material to the Seller upon demand and the Buyer shall not permit the same to be copied, published or given to any persons without the Seller's prior written consent. The Seller reserves the right to amend all drawings and specifications when necessary. This encompasses all electronic and hard copy distribution.

All intellectual, industrial and/or proprietary rights (the "IP Rights") of the Seller in and to the goods sold hereunder or any components relating to same created, authored and/or developed by the Seller shall remain the sole and exclusive property of the Seller and no proprietary interest in any such IP Rights is hereby granted, assigned and/or conferred by Seller to Buyer.

**GOVERNING LAWS:** The Quotation, any Purchase Order delivered pursuant hereto and the Sale Terms set forth herein shall be governed by and construed and interpreted in accordance with the laws of the State of New Jersey and the federal laws of the United States of America applicable therein. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of the State of New Jersey with respect to any matter arising under or related to the Quotation, any Purchase Order delivered hereunder or these Sale Terms. The application of the CISG is expressly excluded.

Buyer and Seller agree that this Order shall be governed by, interpreted and enforced in accordance with the laws of the State of New Jersey. Buyer and Seller agree that the Superior Court of the State of New Jersey shall have exclusive jurisdiction to hear and determine any disputes pertaining directly or indirectly to this Order or to any matter arising hereunder or related hereto and expressly waive any and all right to institute or maintain any claim or action in any other Court or jurisdiction.

**EXCHANGE RATES:** For purposes of this Quotation and/or any Purchase Order, the applicable USD/Euro Exchange Rate shall be the current rate of exchange on the date of the quotation. In any event, the actual Exchange Rate stated in the Quotation and /or Purchase Order will be fixed by the parties (in light of the foregoing understanding) regardless of any subsequent rate fluctuations up to and including the time of completion and payment of such Purchase Order.

**QUALITY STANDARDS:** The Seller represents and warrants that the goods specified in the Quotation will be produced in an ISO 9001: 2008 standards. Manufacturing to ISO 13485: 2003 standards is available by request; please contact API for a quotation for this additional specification.

**ITEMS NOT INCLUDED:** The following items are specifically not included in the price for the goods and are the sole responsibility of the Buyer: shipping and taxes; duties and VAT; Installation, rigging, and any additional installation requirements.

**DOCUMENTATION:** The Seller shall provide the Buyer with any documentation as specified per the Purchase Order upon delivery.