



Standard Terms and Conditions of Sale

These terms and conditions govern the sale of Products (“Product or Products”) and provisions of services (“Services”) by Component Distributors Inc.(CDI) and its affiliates (“Seller”) as well as by third party vendors and/or service providers of Seller. These terms and conditions (“Agreement”) take precedence over Buyer’s supplemental or conflicting terms and conditions to which notice of objection is hereby given. Neither Seller’s commencement of performance or delivery shall be deemed or construed as acceptance of Buyer’s supplemental or conflicting terms and conditions. CDI’s failure to object to conflicting or additional terms will not change or add to the terms of this agreement. Buyer’s acceptance of the Products and/or Services from Seller shall be deemed to constitute acceptance of the terms and conditions contained herein.

1. **Orders:** All orders placed by Buyer are subject to acceptance by Seller. Orders may not be cancelled or rescheduled without Seller’s written consent. All orders must identify the products, unit quantities, part numbers, applicable prices and requested delivery dates of the Products being purchased. Seller may in its sole discretion allocate Product among its Customers. Seller may designate certain Products and Services as non-cancelable, non-returnable (“NCNR”) and the sale of such Products shall be subject to the special terms and conditions contained in Seller’s Customer Acknowledgement or NCNR Product Form, which shall prevail and supersede any inconsistent terms and conditions contained herein or elsewhere.
2. **Prices:** The prices of the Products are those prices specified on the front of the invoice. Pricing for undelivered Products may be increased in the event of an increase in Seller’s cost, change in market conditions or any other causes beyond the Seller’s reasonable control. Price quotations shall automatically expire in thirty (30) days from the date issued, or as otherwise stated in the quotation.
3. **Taxes:** Unless otherwise agreed to in writing by Seller, all prices quoted are exclusive of transportation and insurance costs, duties, and all taxes including federal, state and local sales, excise and value added, goods and services taxes, and any other taxes. Buyer agrees to indemnify and hold Seller harmless for any liability for tax in connection with the sale, as well as the collection or withholding thereof, including penalties and interest thereon. When applicable, transportation and taxes shall appear as separate items on Seller’s invoice.
4. **Payment:** Payment may be made by check, money order, credit card, or wire transfer (all fees are borne by the Buyer). Where Seller has extended credit to Buyer, terms of payment shall be net thirty (30) days from date of invoice, without offset or deduction. On any past due invoice, Seller may impose interest at the rate of one and a half percent [1.5%] per month. If Buyer fails to make each payment when it is due, Seller reserves the right to change or withdraw credit and thereby suspend or cancel performance under any or all purchase orders or agreements in which Seller has extended credit to Buyer. In the event of default by Buyer, Seller shall be entitled to costs, fees, and expenses, including but not limited to recovery of attorney fees, court costs and fees, and collections costs.
5. **Delivery and Title:** All deliveries will be made “EXWORKS” place of shipment. Title and risk of loss pass to the Buyer upon delivery of the Product to the carrier. Seller’s delivery dates are estimates only and Seller is not liable for delays in delivery or for failure to perform due to causes beyond the



reasonable control of the Seller, nor shall the carrier be deemed an agent of the Seller. A delayed delivery of any part of an Order does not entitle Buyer to cancel other deliveries.

6. **Acceptance / Returns:** Shipments will be deemed to have been accepted by Buyer upon delivery of the said shipments to Buyer unless rejected upon receipt. Buyer shall perform all inspections and tests Buyer deems necessary as promptly as possible but in no event later than 7 days after delivery of product, at which time Buyer will be deemed to have irrevocably accepted the Products. Any discrepancy in shipment quantity must be reported within 7 days after delivery. Buyer may not return Products without a return material authorization (“RMA”) number. RMA valid for 30day from date issued. Buyer may not return NCNR Products. Any product returned by Buyer due to Buyer’s error may be subject to a restocking charge equivalent to 100% of the value of such Product as specified in Seller’s invoice to Buyer.
7. **Limited Warranty:** Seller will transfer to Buyer any Product warranties and indemnities authorized by the manufacturer, including any transferable warranties and indemnities for intellectual property infringement. Seller warrants to Buyer that Products purchased hereunder will conform to the applicable manufacturer’s specifications for such products and that any value-added work performed by Seller on such Products will conform to applicable Buyer’s specifications. If Seller breaches this warranty, Buyer’s remedy is limited to (at Seller’s election) (1) refund of Buyer’s purchase price for such Production (without interest), (2) repair of such Products, or (3) replacement of such Products; provided that such Products must be returned to Seller, along with acceptable evidence of purchase, within 20 days from date of delivery, transportation charges prepaid. No warranty will apply if the Product has been subject to misuse, static discharge, neglect, accident or modification, or has been soldered.

SAVE AS EXPRESSLY PROVIDED IN THESE TERMS AND CONDITIONS, ALL IMPLIED WARRANTIES, TERMS AND CONDITIONS (WHETHER STATUTORY OR OTHERWISE) ARE EXCLUDED TO THE FULLEST EXTENT PERMITTED BY LAW. IN PARTICULAR, SELLER MAKES NO WARRANTY RESPECTING THE MERCHANTABILITY OF THE PRODUCTS OR THEIR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND WARRANTIES AGAINST LATENT DEFECTS.

8. **Limitation of Liabilities:** BUYER SHALL NOT BE ENTITLED TO, AND SELLER SHALL NOT BE LIABLE FOR, LOSS OF PROFITS OR REVENUE, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEADS, BUSINESS INTERRUPTION COST, LOSS OF DATA, REMOVAL OR REINSTALLATION COSTS, INJURY TO REPUTATION OR LOSS OF BUYERS, PUNITIVE DAMAGES, IPR INFRINGEMENT, LOSS OF CONTRACTS OR ORDERS OR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. BUYER’S RECOVERY FROM SELLER FOR ANY CLAIM SHALL NOT EXCEED THE PURCHASE PRICE PAID FOR THE AFFECTED PRODUCTS IRRESPECTIVE OF THE NATURE OF THE CLAIM WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE. BUYER WILL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY CLAIMS BASED ON (a) SELLER’S COMPLIANCE WITH BUYER’S DESIGNS, SPECIFICATIONS, OR INSTRUCTIONS, (b) MODIFICATION OF ANY PRODUCTS BY ANYONE OTHER THAN SELLER, or (c) USE IN COMBINATION WITH OTHER PRODUCTS.
9. **Export Control :** Buyer certifies that it will be the recipient of the Products to be delivered by Seller. Buyer acknowledges that the Products are subject to the export/import control laws and



regulations of various countries, including the Export Administration Laws of the United States. Products sold by Seller cannot be transferred, sold or re-exported to any part on the Entity List or Restricted Person List of the U. S. Department of Commerce Bureau of Industry and Security, any party designated by the U.S. Treasury Department's Office of Foreign Assets Control, and any party debarred or sanctioned for proliferation or terrorism reasons by the U.S. State Department.

10. **Use of Products:** Products sold by Seller are not designed, intended or authorized for use in life support, life sustaining, nuclear, or other applications in which the failure of such Products could reasonably be expected to result in personal injury, loss of life or catastrophic property damage. If Buyer uses or sells the Products for use in any such applications: (1) Buyer acknowledges that such use or sale is at Buyer's sole risk; (2) Buyer agrees that Seller and the manufacturer of the Products are not liable, in whole or in part, for any claim or damage arising from such use; and (3) Buyer agrees to indemnify, defend and hold Seller and the manufacturer of the Products harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use or sale.
11. **Force Majeure:** Seller is not liable for failure to fulfill its obligations for any accepted Order or for delays in delivery due to causes beyond Seller's reasonable control including, but not limited to, acts of God, natural or artificial disaster, riot, war, strike, delay by carrier, shortage of Product, acts or omissions of other parties, acts or omissions of civil or military authority, Government priorities, changes in law, material shortages, fire, strikes, floods, epidemics, quarantine restrictions, acts of terrorism, delays in transportation or inability to obtain labor, materials or Products through its regular sources, which shall be considered as an event of force majeure excusing Seller from performance and barring remedies for non-performance. In an event of force majeure condition, the Seller's time for performance shall be extended for a period equal to the time lost as a consequence of the force majeure condition without subjecting Seller to any liability or penalty. Seller may, at its option, cancel the remaining performance, without any liability or penalty, by giving notice of such cancellation to the Buyer.
12. **Technical Assistance or Advice:** If technical assistance or advice are offered or given to Buyer, such assistance or advice is given free of charge and only as an accommodation to Buyer. Seller shall not be held liable for the content or Buyer's use of such technical assistance or advice nor shall any statement made by any of Seller's representatives in connection with the Products or Services constitute a representation or warranty, express or implied.
13. **General:** (a) The laws of the State of Colorado will exclusively govern any dispute between Seller and Buyer, (b) Buyer may not assign this Agreement without the prior written consent of Seller. Seller or its affiliates may perform the obligations under this Agreement. This Agreement is binding on successor and assigns, (c) Products, including software or other intellectual property, are subject to any applicable rights of third parties, such as patents, copyrights and/or user licenses.