

TERMS OF SALE – UNITED AUTOMATION, INC.

QUOTATIONS

Quotations not accepted within thirty (30) days are subject to review.

ORDER ACCEPTANCE & CONFIRMATION

All orders are subject to acceptance by **UNITED AUTOMATION, INC.** Any errors and omissions are subject to correction.

MINIMUM ORDER

Minimum order value is \$25.00 excluding taxes. Orders for less than the minimum may be subject to minimum order charges.

PRICES

Prices are subject to change without notice.

TERMS OF PAYMENT

Unless otherwise stated on the face of our Sales Order or Sales Invoice document, terms of sale are - Net 30 Days - from date of invoice with no discount allowed for early payment. At any time, when in its opinion, the financial condition of the Purchaser warrants, United Automation, Inc. may either alter or suspend credit, and in cases where credit is not established satisfactorily, or financial information is not available, the terms of sale shall be credit card payment with order, cash with order or COD at our option. Each shipment shall be considered a separate and independent transaction and payment therefore shall be made accordingly. In addition to any other rights and remedies available to us, failure to pay any amount due within the time specified will result in a late charge of 1.5% per month being added to Purchaser's account until final payment.

CANCELLATIONS

Orders will be subject to cancellation only with our consent and upon payment for all labor, materials and overhead expended up to the point of cancellation.

ALTERATIONS

Alterations to original specifications of orders shall be charged to the Purchaser, at current rates, for additional work performed and will be supported with documentation upon request.

CLAIMS

The Purchaser shall notify the Company promptly of any claim regarding merchandise purchased and such merchandise shall be held for our inspection. If damage to, or shortage of packages or contents is evident, the Purchaser should mark the packing slip(s) accordingly from the carrier and notify us promptly. Claims for errors must be made within 10 days of the receipt of goods.

EXCLUSION OF WARRANTIES

UNITED AUTOMATION, INC. assigns to our customers those warranties and only those warranties provided by our manufacturers. We do not warrant any product which we sell. THERE ARE NO WARRANTIES EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE OF OUR SALES ORDER DOCUMENT. IN NO CASE SHALL WE BE LIABLE TO ANYONE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR BREACH OF THIS OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, OR ANY OTHER BASIS OF LIABILITY WHATSOEVER, EVEN IF THE LOSS OR DAMAGE IS CAUSED BY ITS OWN NEGLIGENCE OR FAULT.

CONDITIONS OF SALE SUPERSEDE

The conditions of sale stated herein supersede the conditions of sale contained in all prior dated price lists, quotations, and acknowledgements.

Terms & Conditions of Sale

This document provides the Terms and Conditions of Sale which apply to all purchases from and sales of items offered by United Automation, Inc., (whose premises are 1491 North Kealy, Suite 4, Lewisville, TX 75077 and whose website is www.automation-dfw.com). Your purchase means you have accepted our Terms and Conditions of Sale in effect as of the date of purchase. We disclaim any other Terms and Conditions contained in any customer purchase order, order form or otherwise unless expressly agreed to by us in writing. Purchase orders must be strictly in conformity with these Terms and Conditions; inconsistent or conflicting terms in any purchase order or sale acknowledgment are rejected and shall be controlled by these Terms and Conditions unless agreed to by the Purchaser and United Automation, Inc. in a separate mutual writing. Additional terms are not binding unless agreed to by an officer of the Company in a separate writing. We reserve the right to decline fulfillment of orders at our discretion.

The suppliers and manufacturers we represent are the leaders in their respective industries, offering high quality products. If you receive a product that does not perform as described in the manufacturer's Catalog or technical documents provided, please call us. We will quickly facilitate, with the Product Manufacturer, an exchange or refund (subject to Q.A. inspection) provided the return of product(s) is within 30 days of shipment and in its original packaging. We sincerely appreciate your selecting United Automation, Inc. as your supplier of pneumatic and electrical components.

PRICING AND CHARGES

Product: Prices are quoted in U.S. dollars and are subject to change without notice.

Charges: All orders are subject to applicable shipping, freight, taxes and processing charges. Shipping charges are subject to the carrier's published rates. Our standard method of shipment, for parcel service from our warehouse in Lewisville, TX, is via UPS Ground. Designation by the Purchaser for the use of any other carrier may be subject to additional carrier surcharges.

Minimum Order: United Automation Inc. has a minimum order value of \$25 (U.S. dollars). You will be charged the minimum \$25 on any order with a merchandise value of \$25 or less.

- **Manufacturer Minimum Order Requirements:** Each manufacturer has their own set minimum order levels for United Automation Inc. to place purchase orders. If the product you have ordered is not a stocked item for United Automation, Inc., and that product is not sufficient to meet the manufacturer's minimum, that order may be subject to a "below minimum" surcharge if the need is immediate, or subject to a delay in order placement awaiting additional product orders to meet the manufacturer's minimum.

TERMS/BILLING OPTIONS

Net 30 days on approved open accounts from date of invoice. In addition to open accounts, we also accept cash, C.O.D. and most major credit cards. If an open account customer fails to make full payment within thirty (30) days from date of invoice, further shipments or other orders may be deferred, or any portion of an unshipped order may be cancelled. United Automation, Inc. further reserves the right to charge interest on overdue invoices at the rate of 18% per annum (1.5% monthly) or at the highest rate available under applicable law. It is understood and agreed that customer will pay, to the extent permitted under law, all reasonable costs and expenses, including attorney's fees, collection agency fees and court costs incurred by United Automation, Inc. in connection with any collection action for payment of the amounts due herein.

DELIVERY

Items that are drop shipped directly from manufacturers may take longer, so items ordered together may not always arrive in the same box or on the same day. All orders are shipped F.O.B. from United Automation Inc.'s warehouse facility or manufacturer's facility for drop shipments. Title and risk of loss pass to customer on delivery to the common carrier or upon customer pickup.

DAMAGED OR LOST SHIPMENTS

UPS, Fed-Ex Ground, other package carriers & Prepaid Truck Shipments: Check your order immediately upon arrival. All damages must be noted on delivery receipt. All shortages and damages must be reported to **UNITED AUTOMATION, INC.** at 1-888-420-4430 or e-mailed to united1@automation-dfw.com within 10 calendar days of receipt of goods. All damaged packages and merchandise must be kept for inspection. If product was damaged in transit, you must file a claim with the carrier.

Truck Shipment (when you select the carrier): Check your order immediately upon arrival. All damages must be noted on delivery receipt. All damages and shortages must be called in to the trucker you chose within 7 days. All damaged containers and merchandise must be kept for your trucker to inspect. At that time, you will file a claim with your trucker.

WARRANTIES

General Merchandise Warranty: Except as otherwise stated, the only warranties applying to materials sold are those, if any, specifically provided by the manufacturer, to be honored by the manufacturer. **Items marked Lifetime Warranty are subject to manufacturer's warranty terms.** EXCEPT AS SET FORTH HEREIN, **UNITED AUTOMATION, INC.** MAKES NO WARRANTIES, WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED. **UNITED AUTOMATION, INC.** DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES OF PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WORKMANSHIP, QUALITY, DURABILITY, SUITABILITY, OR NON-INFRINGEMENT INCLUDING WITHOUT LIMITATION IN THOSE INSTANCES WHERE CHANGES, ALTERATIONS OR MODIFICATIONS ARE MADE IN MATERIALS AT THE REQUEST OR INSTRUCTION OF THE CUSTOMER. THE CUSTOMER AGREES NOT TO CLAIM OR COMMENCE SUIT AGAINST **UNITED AUTOMATION, INC.** BASED ON ANY SUCH DISCLAIMED WARRANTIES OR SUCH MANUFACTURER'S WARRANTIES, OUR OBLIGATION IS LIMITED ONLY TO THE REPAIR OR REPLACEMENT OF DEFECTIVE PARTS OR, AT OUR SOLE OPTION, TO REFUND THE PURCHASE PRICE.

Manufacturer's Responsibility: The customer recognizes that **UNITED AUTOMATION, INC.** is a distributor and not a manufacturer, fabricator or packager, and all applicable product specifications, representations and warranties are solely those of the fabricator, manufacturer or packager of the products sold. **UNITED AUTOMATION, INC.**'s liability hereunder for any claim of loss or damage of any kind whatsoever by the customer arising from a breach of any such specifications, representations or warranties by the manufacturer, fabricator or packager shall be limited to reimbursement of the price paid for the specific item sold, and other than such reimbursement, as between the customer and **UNITED AUTOMATION, INC.**, the

customer's sole and exclusive recourse for such loss or damage is to the manufacturer, fabricator or packager of the products. Customer waives any right of set-off or cover under the Uniform Commercial Code or otherwise.

Limited Liability: IN NO EVENT SHALL **UNITED AUTOMATION, INC.** BE LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES OR LOST PROFITS, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, ARISING OUT OF THE PURCHASE, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED OPPORTUNITY OR PROFITS, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. **UNITED AUTOMATION, INC.** shall not be responsible for computer or electronic interruptions, mechanical or electrical breakdowns, strikes, labor slowdowns, war, terrorism, riots, severe weather conditions, natural disasters, acts of God or any other forces beyond the reasonable control of **UNITED AUTOMATION, INC.**, LTL shipments and other non-scheduled carriers, branch shipments (due to earlier pickups), back ordered items, replacement orders, new accounts (first order), orders requiring credit review, and supplier manufacturing deficiencies.

RESPONSIBILITY

The value of the defective product or material is our only liability. All specifications and technical data have been supplied by the manufacturer and are listed only as a convenience. We do not warrant or represent that the merchandise complies with the provisions of any law unless the manufacturer so warrants.

Catalog Errors

Although all information in Catalogs has been carefully checked for accuracy, errors and omissions occasionally occur and therefore are subject to correction. We regret any inconvenience.

Compliance with Laws

Some products may be obtained from multiple supply sources located throughout the United States or internationally and shipped directly to the customer without sending the item through **UNITED AUTOMATION, INC.** Many states and localities have codes and regulations governing sale, offering for sale, distribution, construction, installation and use of products for certain purposes and/or containing certain regulated substances, which may vary from those in neighboring areas. **UNITED AUTOMATION, INC.** relies upon information provided by the supplier of these products to ensure they are compliant with the laws of the jurisdiction into which the product is shipped. The information provided by the supplier as to the ability of the product to be sold or distributed in any particular jurisdiction is believed by **UNITED AUTOMATION, INC.** to be accurate. **UNITED AUTOMATION, INC.**, however, shall not be responsible for how products are used or installed or for the product's conformance to regional, state, or local codes or regulations. **UNITED AUTOMATION, INC.** does not guarantee compliance with any law and assumes no responsibility for how the items are used or installed. Customer has the sole responsibility for compliance with all applicable codes, regulations and laws and before purchase and use of the product must review and ensure full compliance with such codes, regulations and laws concerning the use or installation of the products.

Environmental and Safety

- **VOC (Volatile Organic Compounds) Limits**
UNITED AUTOMATION, INC. may be prohibited from offering certain products due to restrictions or requirements of various federal, state, local and other authorities having jurisdiction in these matters. VOC restrictions may change without notice. Customers should consult the regulations applicable to these products to ensure compliance. UNITED AUTOMATION, INC. relies on the manufacturer regarding the VOC content of their products and makes no representation or warranties regarding the information provided by the manufacturer.
- **Ozone Depleting Substances (ODS)**
UNITED AUTOMATION, INC. may be prohibited from selling certain products that contain chemicals (hydro chlorofluorocarbons) to customers that are not commercial customers as defined by regulations issued by the United States Environmental Protection Agency (USEPA). As per the USEPA regulations, it is a violation of federal law to sell, distribute, or offer to sell or distribute any chlorofluorocarbon or aerosol hydro chlorofluorocarbon containing cleaning fluid for electronic and photographic equipment to anyone who is not a commercial user of this product. The penalty for violating this prohibition can be up to \$25,000 per sale. Individuals purchasing such products must present proof of their commercial status in accordance with Title 40 of the CFR 82.68(a) or (c). ODS restrictions may change without notice and customers should consult the ODS regulations and are responsible for compliance with all the ODS regulations.
- **California Proposition 65**
Some products may contain certain chemicals and, therefore, be subject to warning requirements of California Proposition 65. Proposition 65 requires that packages of products containing certain chemicals identified by the State of California as causing cancer, birth defects or other reproductive harm contain warnings. **UNITED AUTOMATION, INC.** relies on the manufacturer regarding the hazardous chemicals in their products and makes no representations or warranties regarding the information provided by the manufacturer.
- **Mercury Containing Products**
Some products may contain mercury and may, therefore, be subject to federal, state, or local regulations regarding their purchase, use, handling and/or disposal. Customers should consult the regulations applicable to their operations regarding these products. **UNITED AUTOMATION, INC.** relies on the manufacturer regarding the mercury content of their products and makes no representations or warranties regarding the information provided by the manufacturer.

Dangerous Goods/Hazardous Materials

- **Lead:** **UNITED AUTOMATION, INC.** may be prohibited from offering certain plumbing products intended for use in conveying potable water due to restrictions or requirements of various federal, state, local and other authorities that have prescribed lead content restrictions for such products. These restrictions may change without notice. Customers should consult the regulations applicable to these products to ensure

compliance. **UNITED AUTOMATION, INC.** relies on the manufacturer regarding the lead content of their products and makes no representations or warranties regarding the information provided by the manufacturer.

- **Energy Efficiency:** **UNITED AUTOMATION, INC.** may be prohibited from offering certain products that do not meet federal, state, and/or local requirements for energy efficiency. Energy efficiency requirements may change without notice. Customers should consult the regulations applicable to these products to ensure compliance. **UNITED AUTOMATION, INC.** relies on the manufacturer regarding the energy efficiency rating of its products and makes no representations or warranties regarding the information provided by the manufacturer.
- **Handling and Disposal:** Numerous federal, state, and local codes, regulations and laws may apply to the disposal of products. Customer is solely responsible for proper handling and disposal of purchased items and should review and ensure compliance with all such codes, regulations and laws.

RETURNS & REPAIRS

Returns

Except as otherwise provided, no material will be accepted for return after 30 days from date of shipment. To return merchandise, you must call **UNITED AUTOMATION, INC.** at 888-420-4430 for a Return Authorization number. No returns will be accepted without a Return Authorization number. Include with your return a copy of your invoice or packing slip. All merchandise must be returned in its original packaging and condition. Any claims for discrepancies in shipment must be made within 10 days of receipt of merchandise. C.O.D. returns will not be accepted. Shipping charges for returned items must be prepaid. No return of altered or etched items. A re-stocking charge may be applied.

EXPORT CONTROLS

UNITED AUTOMATION, INC. products and services, including user manuals and software, are subject to U.S. export control laws, regulations and administrative policies. Customer acknowledges that it is familiar with such laws and regulations and it agrees to abide by them in all respects. **Diversion of products and/or services contrary to U.S. law is prohibited.** Customer understands that a license, written approval or other authorization may be required from the Bureau of Industry and Security of the U.S. Department of Commerce, the Directorate of Defense Trade Controls of the U.S. Department of State or other U.S. government agency prior to the export or re-export of these items from the United States Guidance may be found at <http://www.bis.doc.gov> or <http://www.pmdtc.state.gov>. Customer further understands that it is unlawful to export, re-export or transfer, or to attempt to export, re-export or transfer these items to individuals or entities on the List of Debarred Parties, Denied Persons List, Specially Designated Nationals List, Entity List, Unverified List or Nonproliferation Sanctions List, as well as sales or transfers to Embargoed Countries. It is the customer's responsibility to be aware of these Lists and Embargoes. These Lists may be accessed at <https://www.export.gov/welcome>.

PROVISIONS

- **Security Interest**

Customer hereby grants to **UNITED AUTOMATION, INC.** a first priority purchase money security interest and/or chattel mortgage in the products and any accounts receivable or cash from resale thereof until full payment is made to **UNITED AUTOMATION, INC.** Customer agrees to file, or permit **UNITED AUTOMATION, INC.** to file, any financing statements or other appropriate documents with its governmental authorities to perfect the validity, priority, and enforceability of **UNITED AUTOMATION, INC.**'s lien or security interest.

- **Independent Contractors**

UNITED AUTOMATION, INC. and Customer are independent contractors and not principal and agent. Nothing contained in these terms and conditions shall be construed to create a partnership, dealership, reseller, agency, employment or joint venture relationship. Customer will not have the right to bind or otherwise obligate **UNITED AUTOMATION, INC.** in any manner, nor will Customer represent to anyone that it has the right to do so.

- **Assignment**

Customer shall not assign any order, or any interest therein, without the prior written consent of **UNITED AUTOMATION, INC.**. Any actual or attempted assignment without **UNITED AUTOMATION, INC.**'s prior written consent shall entitle **UNITED AUTOMATION, INC.** to cancel such order upon notice to Customer.

- **Intellectual Property**

Customer shall have no right to copy or use any of the intellectual property of **UNITED AUTOMATION, INC.** or its suppliers without **UNITED AUTOMATION, INC.**'s permission. All materials contained in **UNITED AUTOMATION, INC.** Catalogs and **UNITED AUTOMATION, INC.**'s website are subject to the ownership rights of **UNITED AUTOMATION, INC.** and its suppliers.

- **Performance of Service**

In conjunction with Customer's purchase of product, **UNITED AUTOMATION, INC.** may perform certain services for Customer on Customer's premises such as delivery of product. Customer will hold harmless and indemnify **UNITED AUTOMATION, INC.**, its officers, directors, employees, agents, subcontractors or representatives from and against any and all claims, including bodily injury, death, or damage to personal property, and all other losses, liabilities, obligations, demands, actions and expenses, whether direct or indirect, known or unknown, absolute or contingent, incurred by **UNITED AUTOMATION, INC.** related to the performance of Services for Customer (including without limitation, settlement costs, attorneys' fees, and any and all other expenses for defending any actions or threatened actions) arising out of, in whole or in part, any act or omission of Customer, its employees, agents, subcontractors or representatives. **Waiver:** No failure by either party to take any action or assert any right hereunder will be deemed to be a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right.