

TERMS AND CONDITIONS OF SALE

Updated: November 14, 2017

THESE TERMS AND CONDITIONS ("AGREEMENT") APPLY TO YOUR ORDER AND PURCHASE OF HARDWARE, SERVICES AND SUPPORT (COLLECTIVELY, "PRODUCT") SOLD THROUGH TECHNOLOGIC SYSTEMS' regardless of other or additional terms or conditions that conflict with or contradict this Agreement in any purchase order, document, or other communication ("Order"). Preprinted terms and conditions on any document of customer ("Customer") (for example: Orders or confirmations) and/or Technologic Systems' failure to object to conflicting or additional terms will not change or add to the terms of this Agreement.

1. ORDERS

Quotes for Products and Services from Technologic Systems are invitations to tender and are subject to change at any time without notice. All Orders are subject to acceptance by Technologic Systems'. Contracts between Customer and Technologic Systems' are formed upon Technologic Systems' written acceptance or execution of Customer's Order and shall be subject to this Agreement. All Orders including, but not limited to, Electronic Purchase Orders, for purchase of Products of quantity of 100 units and/or value of \$20K or greater, or for Products identified by Technologic Systems' as custom are non-cancelable, non-returnable ("NCNR"). Technologic Systems' may identify Products as custom or "NCNR" by various means including, but not limited to, quotes, Scope of Services or Products lists. Customer may not change, cancel or reschedule Orders for Products without Technologic Systems' consent. Customers will be asked to sign an "NCNR" agreement when the Order is placed. There will also be a 50% deposit required on "NCNR" orders. Technologic Systems reserves the right to ship $\pm 3\%$ of the original order or release quantity for custom or customized parts.

2. PRICES

Prices are subject to change at any time. Prices are for Products only and do not include taxes, shipping charges, freight, duties, and other charges or fees, such as fees for special packaging and labeling of the Products, permits, certificates, customs declarations and registration (collectively, "Additional Fees"). Customer is responsible for any Additional Fees. Price breaks may be granted based on the volume of the order, if price breaks are offered on an order, delivery must be taken in no more than 2 shipments over a 90 day period. Any changes in delivery schedule may result in a price increase.

3. TERMS OF PAYMENT

Payment of the total invoice amount, without offset or deduction is due at the time of shipment. All orders must be pre-paid with Visa, MasterCard, American Express or wire transfer or shipped COD. NET 30 terms may be available for approved customers. NET 30 payments are due 30 days from invoice date or as otherwise approved in writing by Technologic Systems'. On any past due invoice, Technologic Systems' may charge terms account or credit card account, (i) interest from the payment due date to the date of payment at 24% per annum, plus reasonable attorney fees and collection costs; or (ii) the maximum amount that is allowed under the applicable law if Technologic Systems' interest rate is deemed invalid. At any time, Technologic Systems' may change the terms of Customer's credit, require financial data from Customer for verification of Customer's creditworthiness, require a bank guarantee or other security, or suspend any outstanding Orders of Customer. Technologic Systems' may apply payments to any of Customer's accounts. If Customer defaults on any payment under this Agreement, Technologic Systems' may reschedule or cancel any outstanding delivery and declare all outstanding invoices due and payable immediately. Unless otherwise provided by applicable law, any credit issued by Technologic Systems' to Customer in respect of any of Customer's accounts will expire if unused for twelve (12) months following the date of issuance of such credit.

4. DELIVERY AND TITLE

Unless otherwise specified by Technologic Systems' in writing, all deliveries by Technologic Systems' are EXW (EX Works INCOTERMS 2010) Technologic Systems' warehouse located in Fountain Hills, AZ. Title shall pass to Customer upon delivery of the Products to the carrier. Technologic Systems' delivery dates are estimates only and subject to timely receipt of supplies by Technologic Systems'. Technologic Systems' is not liable for delays in delivery. Technologic Systems' reserves the right to make partial deliveries and Customer will accept delivery and pay for the Products delivered. A delayed delivery of any part of an Order does not entitle Customer to cancel other deliveries.

5. TECHNOLOGIC SYSTEMS' LIMITED WARRANTY

The manufacturer warrants this product to be in good working order for a period of one year from date of purchase. If at any time within the one-year warranty period this product should fail, the manufacturer will repair or replace the product, at its option. This limited warranty does not cover damages resulting from lightning or other power surges, abuse, misuse, or unauthorized modifications including units with conformal coating. Technologic Systems' will pass through to Customer any transferable Product warranties, indemnities, and remedies provided to Technologic Systems' by the suppliers, including any warranties and indemnities for intellectual property infringement. To the extent permitted by law, Technologic Systems' makes no other warranty, express or implied, such as warranty of merchantability, fitness for purpose or non-infringement. Customer's sole remedies for breach of Technologic Systems' warranty are, at Technologic Systems' choice: (i) repair the Products; (ii) replace the Products at no cost to Customer; or (iii) refund Customer the purchase price of the Products.

6. PRODUCT RETURN

Customer may return Products to Technologic Systems' only with a return material authorization ("RMA") number issued by Technologic Systems'. RMA number should be requested via <https://www.embeddedarm.com/support/rma>. Customer must notify Technologic Systems' in writing of any damage to the outer packaging or the Products, shortage, or other discrepancies within 5 days after receipt of the shipment; otherwise, Customer is deemed to have accepted the Products and may not revoke acceptance. RMAs will be issued only for Visual Defects created solely by Technologic Systems' or the original manufacturer, and only if Customer satisfies the notice requirement. RMAs will not be granted for damage, shortage, or other discrepancy created by Customer, the carrier or freight provider, or any other third party. Product return pursuant to a warranty requires written notice from Customer to Technologic Systems' within the warranty period detailing the Product defect. Customer must return the Products to Technologic Systems' freight prepaid in original manufacturer's shipping cartons or equivalent, along with acceptable proof of purchase, within the warranty period and as specified in the RMA. At Technologic Systems' discretion, Technologic Systems' will return all Products not eligible for return to Customer, freight collect, or hold Product for Customer's account at Customer's expense. All returns require a Return Merchandise Authorization (RMA) number. Authorized returns must be made within 15 days of the issue of a return authorization number.

7. LIMITATION OF LIABILITY

To the extent permitted by law, neither Technologic Systems' nor its employees or agents are liable for and Customer is not entitled to any indirect, special, incidental or consequential damages (for example, loss of profits or revenue, loss of data, loss of use, rework, manufacturing expense, injury to reputation, or loss of Customers). To the extent permitted by applicable law, Customer's recovery from Technologic Systems' for any direct damages will not exceed the price of the Product at issue. Customer will indemnify, defend and hold Technologic Systems' harmless from any claims based on: (i) Technologic Systems' compliance with Customer's designs, specifications, or instructions, (ii) modification of any Product by anyone other than Technologic Systems', or (iii) use of Products in combination with other products or in violation of clause 9 below.

8. FORCES BEYOND TECHNOLOGIC SYSTEMS' CONTROL

Neither Party is not liable for failure to fulfill its obligations under this Agreement due to causes beyond its reasonable control (for example: acts of nature, acts or omissions of the Customer, operational disruptions, man-made or natural disasters, epidemic medical crises, materials shortages, strikes, criminal acts, delays in delivery or transportation, or inability to obtain materials through its regular sources).

9. USE OF PRODUCTS

Products are not authorized for use in critical safety or other applications where a failure may reasonably be expected to result in personal injury, loss of life, or serious property damage. If Customer uses or sells the Products for use in any such applications, Customer acknowledges that such use, sale, or non-compliance is at Customer's sole risk.

10. PRODUCT INFORMATION

Technologic Systems' is not responsible for typographical or other errors or omissions in Product information.

11. GENERAL

A. This Agreement shall be governed, construed, and enforced in accordance with the laws and courts of the State of Arizona will apply without reference to Arizona's conflict of laws principles. The United Nations Convention for the International Sale of Goods shall not apply.

B. Customer may not assign this Agreement without the prior written consent of Technologic Systems', and Technologic Systems' affiliates may perform Technologic Systems' obligations under this Agreement. This Agreement is binding on successors and assigns.

C. This Agreement can only be signed or modified in writing by authorized representatives of both Technologic Systems' and Customer.

D. Technologic Systems' and Customer are independent contractors and agree that this Agreement does not establish a joint venture, agency relationship, or partnership.

E. Technologic Systems' failure to object to any document, communication, or act of Customer will not be deemed a waiver of any of these terms and conditions.

F. The un-enforceability of any of these terms or conditions will not affect the remainder of the terms or conditions.

G. Products, including software or other intellectual property, are subject to any applicable rights of third parties, such as patents, copyrights and/or user licenses, and Customer will comply with such rights.

H. Customer and Technologic Systems' will comply with applicable laws and regulations.

I. The parties agree to use electronic signatures and agree that any electronic signatures will be legally valid, effective, and enforceable.

J. The most current version of these Terms and Conditions is available at: <https://www.embeddedarm.com/about/terms-and-conditions>. The Terms and Conditions available at this address at the time of order take precedent over any prior copies of these terms.