



Armstrong Magnetics, Inc.

Terms and Conditions of Sales

The following terms and conditions of sale shall apply to any sale of goods and services by Armstrong Magnetics, Inc. (hereinafter called "Armstrong"). Purchaser shall be deemed to have full knowledge of the terms and conditions herein and such terms and conditions shall be binding if either the goods and services referred to herein are delivered to and accepted by Purchaser, or if Purchaser does not within five days from the date hereof deliver to Armstrong written objection to said terms and conditions or any part thereof.

1. GENERAL In the event of any conflict or inconsistency between the terms and conditions of sale herein and the terms and conditions contained in Purchaser's order or in any other form issued by Purchaser, whether or not any such form has been acknowledged or accepted by Armstrong, Armstrong's terms and conditions herein shall prevail. No waiver, alteration or modification of these terms and conditions shall be binding upon Armstrong unless made in writing and signed by a duly authorized representative of Armstrong.

2. QUOTATIONS Unless otherwise stated, Armstrong's quotation shall be null and void unless accepted by Purchaser within thirty (30) days from the date of quotation.

3. PRICES / COST OF TRANSPORTATION All quoted prices are based on the current exchange rates, tariffs and costs of manufacture. Unless otherwise stated in the quotation, quoted prices are subject to change by Armstrong with or without notice until Purchaser's acceptance. Prices are subject to correction for error.

Subject to any contrary terms contained in a PO which are expressly accepted by Armstrong, all Products are shipped F.O.B. Armstrong's facility within PO completion and Purchaser shall be responsible for paying the carrier. Customary methods of transportation shall be selected by Armstrong and such transportation will be at Purchaser's expense. Special methods of transportation will be used upon Purchaser's request and at Purchaser's additional expense provided reasonable notice of Purchaser's transportation requirements are given by Purchaser to Armstrong prior to shipment.

4. PAYMENT Payment for goods shall be due on or prior to their delivery date, unless stated otherwise on the quotation or a successful credit check has been carried out and approved by Armstrong. Armstrong reserves the right at any time to suspend, limit or otherwise modify the terms of such credit whenever, in Armstrong's opinion, Purchaser's financial condition so warrants. Unless otherwise agreed to in writing by Armstrong, all prices quoted are exclusive of transportation and insurance costs, duties, any bank collection or processing fees, and all taxes including, but not limited to, federal, state, provincial and local sales, excise value added goods and services taxes and any other taxes. Should payment not be made to Armstrong when due, Armstrong reserves the right, until the price has been fully paid in cash, to charge Purchaser with interest on such overdue payments at the rate of eighteen percent (18%) per annum. The charging of such interest shall not be construed as obligating Armstrong to grant any extension of time in the terms of payment.

5. DELIVERY Delivery schedules are approximate and are based on prevailing market conditions applicable respectively at the time of Armstrong's quotation and Armstrong's acceptance of Purchaser's order. Delivery shall also depend on the prompt receipt by Armstrong of the necessary information to allow maintenance of the manufacturer's engineering and manufacturing schedules. Armstrong may extend

delivery schedules or may, at its option, cancel Purchaser's order in full or in part without liability other than to return any deposit or prepayment which is unearned by reason of the cancellation.

6. FORCE MAJEURE Armstrong shall not be responsible or liable for any loss or damage incurred by Purchaser herein resulting from causes beyond the reasonable control of Armstrong including, but without limitation, acts of God, war, invasion, insurrection, riot, the order of any civil or military authority, fire, flood, weather, acts of the elements, delays in transportation, unavailability of equipment or materials, breakdown, sabotage, lock-outs, strikes or labour disputes, faulty castings or forgings, or the failure of Armstrong's suppliers to meet their delivery promises. The acceptance of delivery of the equipment by Purchaser shall constitute a waiver of all claims for loss or damage due to any delay whatsoever.

7. SHIPMENT/DAMAGES OR SHORTAGES IN TRANSPORT/RISK AND INSPECTION Risk of loss or damage associated with goods and title in goods shall pass to Purchaser upon delivery to the carrier. The cost of any special packing or handling required by Purchaser or the nature of the Products shall be borne by Purchaser. Unless otherwise specified in writing in purchase order, Purchaser shall pay all charges, expenses, taxes and tariff associated with the delivery. Scheduled shipping dates shown on our quotations are estimates only and are subject to delays resulting from causes beyond our reasonable control. It will be Purchaser's responsibility to recover from the carrier for shortages or damage in transit, and no credit or deduction will be granted by Armstrong therefor. Armstrong will, however, give Purchaser any reasonable assistance to secure adjustment of Purchaser's claim against the carrier provided immediate notice of such claim is given by Purchaser to Armstrong. Purchaser shall have five (5) days from the date Purchaser receives goods to inspect such products and services for defects and non-conformance which are not due to damage, shortage or errors in shipping and notify Armstrong, in writing along with photos, of any defects, non-conformance or rejection of such Products. After such five (5) day period, Purchaser shall be deemed to have irrevocably accepted the products and goods were delivered in their entirety, if not previously accepted. After such acceptance, Purchaser shall have no right to reject the Products for any reason or to revoke acceptance. Purchaser hereby agrees that such period is a reasonable amount of time for such inspection. Purchaser shall have no right to order any change or modification to any PO or otherwise cancel any PO without Armstrong's written consent and payment to Armstrong of all charges, expenses and reasonable profits owed to or incurred by Armstrong. Unless agreed upon otherwise in writing, Armstrong reserves the right to make partial shipments and to submit invoices for partial shipments.

8. REPRESENTATIONS Purchaser represents and warrants that: (a) the products, their specifications and their sale or use do not and will not infringe any intellectual property rights of any third party, including, but not limited to, any trade secret, trademark, copyright or patent (except to the extent designed by Armstrong), and (b) the marketing, sale, distribution and/or use of the products by Purchaser comply and will comply with applicable laws and regulations.

9. LIMITATION OF LIABILITY In the event that it is determined that the Warranty has been breached, the liability of Armstrong and the remedies available to Purchaser will be limited to the repair or replacement of the product by Armstrong or the return of the purchase price of such product, as determined by Armstrong in its sole discretion. Armstrong shall not be liable for and shall be held harmless by Purchaser from any damage, losses or claims of whatever kind, contractual, consequential or incidental, direct or indirect, arising out of, in connection with or resulting from the sale governed hereby or the goods, including, but without limitation, the manufacture, repair, handling, installation, possession, use, operation or dismantling of the goods and any and all claims, actions, suits, and proceedings which may be instituted in respect to the foregoing.

Subject to the limitations on liability, the parties shall indemnify and hold each other and their respective affiliates, shareholders, members, directors, officers, employees and agents (“Indemnified Parties”) harmless from and against any loss, liability, damage or expense, including reasonable attorneys' fees (“Losses”), such parties may incur as a result or, arising out of or by reason of any breach, misrepresentation or nonfulfillment on the part of such party of this Agreement. Purchaser shall further hold Armstrong Indemnified Parties harmless from and against Losses resulting from or relating to Purchaser’s or its customers’ use, marketing, distribution or sale of the products.

10. WARRANTY Goods sold hereunder are covered by a warranty against defects in material and workmanship provided the goods and services are subjected to normal use and service. The exclusive and limited warranty provided by Armstrong, for a period of forty-five (45) days from the date of shipment, hereunder is that the products will conform to those specifications provided by Purchaser and accepted in writing by Armstrong and conform to the standards. OTHER THAN THE WARRANTY, ARMSTRONG MAKES NO WARRANTY WITH RESPECT TO THE PRODUCTS, AND THE PURCHASER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The Warranty applies only to the extent that any nonconforming products have been properly handled, used, installed and/or maintained in accordance with and based on Armstrong’s standard tolerances, instructions of use and recommendations. Armstrong recommends that Purchaser independently test the products to determine suitability for the intended use and of any materials used in the manufacture of the products (and Purchaser is not relying upon Armstrong to determine said suitability). Armstrong’s obligation under this warranty shall be limited to repair or replacement of goods proven within the warranty period to have been defective at the time of shipment. Upon discovery of any such defect, Purchaser shall promptly notify us thereof, and, if requested by Armstrong, return the defective goods to Armstrong. Purchaser shall be responsible for all expense of removal, freight and reinstallation in connection with repairs or replacements of defective goods. In no event shall Armstrong be responsible for reimbursing Purchaser for alterations or replacements made by others.

11. INSTALLATION Unless otherwise expressly stipulated, the goods shall be installed by and at the risk and expense of Purchaser. Purchaser shall remain responsible for all other aspects of the work including compliance with the local regulations.

12. CHANGES, CANCELLATIONS AND RETURNS If Purchaser cancel or repudiate after Armstrong dispatches the goods, Purchaser shall be responsible of shipping cost incurred and Armstrong’s reasonable cancellation charges. No goods sold and delivered may be returned to Armstrong without our prior written authorization or a return materials authorization number (RMA). Armstrong reserves the right to decline all returns or to accept them subject to a handling/restocking charge. Even after Armstrong has authorized the return of goods for credit, Armstrong reserves the right to adjust the amount of any credit given to Purchaser on return of the goods based on the conditions of the goods on arrival in Armstrong’ warehouse. Credit for returned goods will be issued to Purchaser only where such goods are returned by Purchaser and not by any subsequent owner of the goods. Goods will be considered for return only if they are in their original condition and packaging. Orders manufactured in whole or in part, pursuant to Purchaser’s specifications, may not be cancelled except with Armstrong’s prior written consent. In such cases where Armstrong authorizes changes or cancellation, Armstrong reserves the right to charge Purchaser with reasonable costs based upon expenses already incurred and commitments made by Armstrong, including, without limitation, any labor done, material purchased and also including Armstrong’s usual overhead and reasonable profit and cancellation charges from Armstrong’ suppliers. For more details on Armstrong’s Return Policy, please refer to <https://www.armsmag.com/info-sales-terms-return-policy.html>.

13. THE AGREEMENT An acceptance and official confirmation of Purchaser's order by Armstrong shall constitute the complete agreement, subject to the terms and conditions of sale herein set forth, and shall supersede all previous quotations, orders or agreements. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington (regardless of the laws that might be applicable under principles of conflicts of laws) as to all matters, including, but not limited to, matters of validity, construction, effect and performance. The parties hereby irrevocably consent to the exclusive jurisdiction of the courts of the State of Washington in Whatcom County and waive any contention that any such court is an improper venue for enforceability of this Agreement. The failure of Armstrong to insist upon performance of any provision or to exercise any right or privilege granted to Armstrong in this Agreement shall not be construed as waiving such provision or privilege. The invalidity of any terms or provisions hereof shall not affect the validity of the remaining terms or provisions, and this Agreement shall be construed as if such invalid terms or provisions had been omitted. Neither party shall be in default of its obligations hereunder to the extent that its performance is delayed or prevented by causes beyond its reasonable control, including but not limited to civil disorders, acts of any civil or military authority, judicial action, terrorist acts, natural disasters, shortage of raw materials and strikes and other labor problems or shortages.