ADVANCED INDUSTRIAL COMPONENTS INC.
2899 Portland Drive
Oakville, Ontario L6H 5S4
Canada

AIC STANDARD TERMS & CONDITIONS OF SALE

ALL SALES OF GOODS BY Advanced Industrial Components Inc. (AIC), hereinafter referred to as **"the Seller",** to its clients, hereinafter referred to as **"the Buyer",** are made subject to the following terms and conditions:

Acceptance of orders – Orders from Buyers are subject to acceptance by the Seller. No terms or conditions appearing in the Buyer's order that are contrary to the Seller's terms and conditions shall be binding upon the Seller unless specifically agreed upon by the Seller in writing.

Cancellation of orders – For standard stocking goods, the Buyer may cancel its order only upon written notice, and prior to shipment. For custom or built-to-order goods, the Buyer may modify its order prior to production, or cancel its order, upon written notice only and subject to Seller's approval. Buyer agrees to compensate the Seller for all charges incurred in such instances, to a maximum amount of the quoted price of the goods.

Prices – Prices quoted are valid for 30 days from the date of quotation, or as stated in the Seller's quotation. In the event of any specification changes after receipt of the Buyer's order, the Seller may adjust the selling price to cover such changes. Seller has the discretion to adjust standard price lists prior to their expiration dates without prior notice.

Credit & Terms of Payment – First time orders are cash sales. For subsequent orders, credit terms are extended to the Buyer, subject to credit investigation and approval. Unless other terms are specified, payment shall become due 30 days from the date of invoice. Penalty fees may be charged for late payments. Seller retains ownership of the goods until the Buyer has paid in full.
If Shipment is delayed by the Buyer, date of readiness for shipment shall be deemed to be date of invoice for payment purposes. If manufacture is delayed by the Buyer, a payment shall be made within 30 days from the date of commencement of such delay, in an amount determined by the purchase price and percentage of completion of the order, the balance shall be payable within 30 days from date of invoice or readiness for shipment, as the case may be.
If, in the Seller's judgment, the Buyer's financial condition at any time does not justify the terms specified, the Seller may require full or partial payment as a condition to commencing or continuing manufacture, or in advance of shipment or if shipment has been made, recover equipment from the carrier.
For custom or built-to-order goods, the Seller may require full or partial payment as a condition to commencing or continuing manufacture, or in advance of shipment.

Dispute Resolution – Any claim, dispute, or other matter in question arising out of or related to the Invoice the Work provided hereunder shall be subject to arbitration. Prior to arbitration, the parties shall endeavour to resolve the disputes by mediation. Mediation shall be conducted in Oakville, Ontario. The parties will share the cost of the mediator equally, and will bear all others costs incurred by each. Claims, disputes, and other matters in question between the parties that are not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be conducted in Oakville, Ontario. The demand for arbitration shall be filed in writing with the other Party to this Invoice and with the Canadian Arbitration Association. The award rendered by the arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction. In any dispute arising out of or related to this invoice, AIC shall be entitled to recover (in addition to any other remedy) its attorney fees and costs, including the cost of arbitration.

Taxes – Any tax or other governmental charge now or hereafter levied upon the production, sale, use or shipment of goods ordered or sold will be charged to and paid for by the Buyer. Such taxes are not covered in the Seller's price unless expressly so stated on the quotation form.

Freight – Unless otherwise stated on the quotation form, prices do not include freight.

Transportation Risks – Delivery to the initial carrier shall constitute delivery to the Buyer. The Seller's responsibility ceases upon delivery in good order to such carrier, and all goods are shipped at the Buyer's risk.

Delays in Delivery – Shipping dates are approximate. The Seller shall not be liable for any delay or failure in the delivery or shipment of goods against an accepted order, or for any damages suffered by reason thereof, when such delay or failure is, or such damages are, directly or indirectly, due to production backlog, accident (in manufacture or otherwise), fire, flood, riot, war embargo, labour stoppages, inadequate transportation facilities, shortage of material or supplies, delay or default on the part of its vendors, regulation by any governmental authority, or any like or dissimilar cause or causes beyond its control. The Seller shall have no liability for any liquidated damages or penalty whatsoever unless specifically agreed to by it in writing.

Storage – Upon the Buyer's request, any goods or equipment to be placed in storage by the Seller, for the Buyer's account and risk, and regular charges therefor and expenses in connection therewith shall be paid by the Buyer; but if, in Seller's opinion, it is unable to obtain or continue such storage, the Buyer will, on request, provide or arrange for suitable storage facilities and assume all costs and risks in connection therewith.

Warranties – Refer to Seller's Limited Warranty Information. Except where a different express warranty has been issued with respect to a particular product or sale, no warranty of any kind, express or implied, is extended by the Seller to any person or persons other than its direct Buyers. To direct Buyers, the Seller warrants only that it will at its discretion, replace or repair any product of its manufacture or part or portion thereof, proved to its satisfaction to be defective in material or workmanship under normal use and service within one year from the date of purchase, or 18 months from the date of shipment by the Seller, whichever expires first.
The Seller shall have no responsibility for the performance of any product sold by it under conditions varying materially from those that were specified by the Seller, nor for any damage to the product from abrasion, erosion, corrosion, deterioration or the like due to abnormal temperatures or corrosive fluids or the influence of foreign matter or energy, or flow induced vibration caused by associated equipment or external influences; nor for the design or operation of any system of which any such product may be made a part or for the suitability of any such product for any particular application.
The Seller shall not be liable for any cost or expense, including, without limitation, freight and labour expenses, in connections with the removal, product return, or replacement of alleged defective equipment or any part or portion thereof, nor for incidental or consequential damages of any kind, nor under any circumstances for any damage beyond the original price of the goods sold.
Any freight allowance by the Seller for the replacement or repaired product shall be instituted on a per case basis at the Seller's discretion, and only to the first destination on the original sale. Only applicable in Canada and the United States.
Any substitution of parts not of Seller's manufacture or not authorized by Seller, or any modification, tampering, or manipulation of Seller's product, shall void the warranty.

Other Warranties – The foregoing warranty is in lieu of all other warranties of any kind, express or implied, and of all other obligations or liabilities, on the part of the Seller. The Seller neither assumes, nor does it authorize any other person to assume on its behalf, any other liability in connections with the sale of its products.

Product Changes – Factors beyond the Seller's control and the need for continuing improvement of products require the making of changes in products from time to time. The Seller reserves the right to make reasonable changes in products of any kind without notice, and to deliver revised designs or models of products against any order, unless this right is specifically waived by it in writing.

Marketing Specifications – Specifications in catalogs, brochures, and price lists, etc. shall only be considered as guiding and for marketing purposes only, and may not accurately reflect current product specifications. Buyer assumes the risk for the use of all such information. The Seller reserves the right to change specifications without notice.

Variances – No claims for variances from the shortages in orders will be considered by the Seller unless presented to it within 5 days after receipt of goods. Any shipping weights given or estimated herein are approximate, for the Buyer's convenience only, and not guaranteed by the Seller.